

ARTICLE VI

NATURAL RESOURCES

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated natural resources agencies.

DEPARTMENT OF AGRICULTURE

	For the Years Ending	
	August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	\$ 51,489,825	\$ 44,854,520
<u>General Revenue Fund - Dedicated</u>		
Young Farmer Loan Guarantee Account No. 5002	106,469	106,469
GO TEXAN Partner Program Account No. 5051	1,076,277	76,278
Subtotal, General Revenue Fund - Dedicated	<u>\$ 1,182,746</u>	<u>\$ 182,747</u>
Federal Funds	277,752,802	277,752,795
<u>Other Funds</u>		
Farm and Ranch Finance Program Fund Account No. 575	82,437	82,437
Appropriated Receipts	3,775,850	2,907,646
Texas Agricultural Fund No. 683	270,089	270,089
Interagency Contracts	802,715	802,715
Subtotal, Other Funds	<u>\$ 4,931,091</u>	<u>\$ 4,062,887</u>
Total, Method of Financing	<u><u>\$ 335,356,464</u></u>	<u><u>\$ 326,852,949</u></u>
This bill pattern represents an estimated 94.8% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	615.5	615.5
Schedule of Exempt Positions:		
Commissioner of Agriculture, Group 6	\$137,500	\$137,500
Executive Director, Group 2 (Texas Food and Fibers Commission)	66,459	66,459
Items of Appropriation:		
A. Goal: MARKETS & PUBLIC HEALTH		
Expand Markets While Protecting Public Health & Natural Resources.		
A.1.1. Strategy: GENERATE MARKETING OPPORTUNITIES		
Generate Marketing Opportunities for Texas Agriculture.	\$ 18,852,340	\$ 10,542,973
A.1.2. Strategy: REGULATE PESTICIDE USE	\$ 6,219,807	\$ 6,219,807
A.1.3. Strategy: INTEGRATED PEST MANAGEMENT	\$ 17,131,333	\$ 17,131,334
Reduce Pesticide Use through Integrated Pest Management Practices.		
A.1.4. Strategy: CERTIFY PRODUCE	<u>\$ 138,798</u>	<u>\$ 138,798</u>
Certify Fruits, Vegetables and Peanuts to Enhance Their Marketability.		
Total, Goal A: MARKETS & PUBLIC HEALTH	<u><u>\$ 42,342,278</u></u>	<u><u>\$ 34,032,912</u></u>

DEPARTMENT OF AGRICULTURE
(Continued)

B. Goal: ENFORCE STANDARDS

Protect Consumers, Establish and Enforce Standards for Ag Commodities.

B.1.1. Strategy: SURVEILLANCE/BIOSECURITY EFFORTS	\$ 2,687,726	\$ 2,493,583
Implement Surveillance and Biosecurity Efforts for Pests/Diseases.		
B.1.2. Strategy: VERIFY SEED QUALITY	\$ 3,092,298	\$ 3,092,299
Verify the Quality and Type of Seed Desired.		
B.1.3. Strategy: AGRICULTURAL COMMODITY REGULATION	\$ 1,224,080	\$ 1,224,080
Regulate Commodity through Verification, Licensing, Inspect, & Enfmnt.		

Total, Goal B: ENFORCE STANDARDS	\$ 7,004,104	\$ 6,809,962
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C. Goal: ENSURE PROPER MEASUREMENT

Increase Likelihood That Goods Offered for Sale Are Properly Measured.

C.1.1. Strategy: INSPECT MEASURING DEVICES	\$ 2,932,286	\$ 2,932,285
Inspect Weighing and Measuring Devices/Reduce Violations.		

D. Goal: FOOD AND NUTRITION

Provide Funding and Assistance on Food and Nutrition Programs.

D.1.1. Strategy: SUPPORT NUTRITION PROGRAMS	\$ 11,732,939	\$ 11,732,939
Support Nutrition Programs in Schools.		
D.2.1. Strategy: NUTRITION ASSISTANCE	\$ 266,744,714	\$ 266,744,707

Total, Goal D: FOOD AND NUTRITION	\$ 278,477,653	\$ 278,477,646
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E. Goal: FOOD AND FIBERS COMMISSION

Support and Coordinate Fibers and Food Protein Research.

E.1.1. Strategy: RESEARCH AND DEVELOPMENT	\$ 4,600,143	\$ 4,600,144
Review, Coordinate, and Fund Research and Development Programs.		

Grand Total, DEPARTMENT OF AGRICULTURE	\$ 335,356,464	\$ 326,852,949
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Object-of-Expense Informational Listing:

Salaries and Wages	\$ 26,559,994	\$ 26,559,994
Other Personnel Costs	1,224,365	1,242,573
Professional Fees and Services	2,091,685	2,091,684
Fuels and Lubricants	780,189	780,189
Consumable Supplies	607,235	534,967
Utilities	775,443	775,442
Travel	878,216	878,808
Rent - Building	1,044,772	1,044,771
Rent - Machine and Other	399,181	399,180
Other Operating Expense	11,857,748	10,484,540
Client Services	259,779,581	260,499,580
Grants	27,588,444	20,740,860
Capital Expenditures	1,769,611	820,361

Total, Object-of-Expense Informational Listing	\$ 335,356,464	\$ 326,852,949
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Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits

Retirement	\$ 1,376,754	\$ 1,397,405
Group Insurance	4,153,239	4,231,715
Social Security	1,657,927	1,682,796
Benefits Replacement	194,655	184,922

Subtotal, Employee Benefits	\$ 7,382,575	\$ 7,496,838
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DEPARTMENT OF AGRICULTURE
(Continued)

<u>Debt Service</u>		
TPFA GO Bond Debt Service	\$ 4,201	\$ 4,084
Lease Payments	<u>58,619</u>	<u>58,293</u>
Subtotal, Debt Service	\$ <u>62,820</u>	\$ <u>62,377</u>
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	\$ <u>7,445,395</u>	\$ <u>7,559,215</u>

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Agriculture. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Agriculture. In order to achieve the objectives and service standards established by this Act, the Department of Agriculture shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2008</u>	<u>2009</u>
A. Goal: MARKETS & PUBLIC HEALTH		
Outcome (Results/Impact):		
Percent Increase from the Previous Biennium in the Number of Marketing Opportunities for Individuals Enrolled in TDA Marketing Programs	5%	5%
Percent of Texas Farmers, Ranchers and Agribusinesses Inspected Found to Be in Full Compliance with Pesticide Laws	97%	97%
Percent of Total Technical Assists to Rural Communities	55%	55%
A.1.1. Strategy: GENERATE MARKETING OPPORTUNITIES		
Output (Volume):		
Number of Acres Inspected for Seed Certification	200,000	200,000
Number of Rural Communities Assisted	600	600
Rural Development Activities and Events Held	120	120
Businesses Developed as Expansion and Recruitment Prospects in Rural Texas	975	975
A.1.2. Strategy: REGULATE PESTICIDE USE		
Output (Volume):		
Number of Pesticide Complaint Investigations Conducted	225	225
A.1.3. Strategy: INTEGRATED PEST MANAGEMENT		
Output (Volume):		
Hours Spent Informing Producers and Surveying Cotton for Compliance with Cotton Stalk Destruction Deadlines	11,500	11,500
Number of Inspections to Verify Compliance for Organic or Other Crop Production Certification Programs	378	378
A.1.4. Strategy: CERTIFY PRODUCE		
Output (Volume):		
Number of Pounds of Fruits, Vegetables, Peanuts and Nuts Inspected (In Billions)	2.5	2.5
B. Goal: ENFORCE STANDARDS		
Outcome (Results/Impact):		
Percent of Seed Samples Found to Be in Full Compliance with State and Federal Standards	97%	97%
B.1.1. Strategy: SURVEILLANCE/BIOSECURITY EFFORTS		
Output (Volume):		
Number of Nursery and Floral Establishment Inspections Conducted	9,500	9,500
Number of Hours Spent at Road Stations Conducting Inspections of Plant Shipments and Other Regulated Articles	13,425	17,700
B.1.2. Strategy: VERIFY SEED QUALITY		
Output (Volume):		
Number of Seed Samples Analyzed	20,500	20,500
B.1.3. Strategy: AGRICULTURAL COMMODITY REGULATION		
Output (Volume):		
Number of Egg Packer, Dealer, Wholesaler, and Retailer Inspections Conducted	2,100	2,100
Number of Grain Warehouse Inspections, Re-inspections and Audits Conducted	275	275

DEPARTMENT OF AGRICULTURE
(Continued)

C. Goal: ENSURE PROPER MEASUREMENT

Outcome (Results/Impact):

Percent of Total Weights and Measures Inspections Conducted That Are Found to Be in Full Compliance with State and Federal Standards	96%	96%
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C.1.1. Strategy: INSPECT MEASURING DEVICES

Output (Volume):

Number of Weights and Measures Inspections Conducted	85,000	85,000
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D. Goal: FOOD AND NUTRITION

Outcome (Results/Impact):

Percent of School Districts in Compliance with Nutrition Regulations	85%	85%
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D.1.1. Strategy: SUPPORT NUTRITION PROGRAMS

Output (Volume):

Number of School District Staff Trained	10,000	10,000
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D.2.1. Strategy: NUTRITION ASSISTANCE

Output (Volume):

Average Number of Children and Adults Served Meals through Child and Adult Care Food Program Per Day	267,941	281,547
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E. Goal: FOOD AND FIBERS COMMISSION

Outcome (Results/Impact):

Leverage Ratio of General Revenue to Other Research Funds	2.75	2.75
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E.1.1. Strategy: RESEARCH AND DEVELOPMENT

Output (Volume):

Number of Research and Development Projects	38	38
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Number of Formal Published Research Reports	150	150
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Efficiencies:

Cumulative Accrual of Supporting Research Funds	3,210,095	3,210,095
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- 2. Capital Budget.** Funds appropriated above may be expended for capital budget items as listed below. The amounts identified for each item may be adjusted or expended on other capital expenditures, subject to the aggregate dollar restrictions on capital budget expenditures provided in the General Provisions of this Act.

	2008		2009
a. Acquisition of Information Resource Technologies			
(1) Computer Equipment and Software	\$ 316,608	\$	232,733
b. Transportation Items			
(1) Fleet Vehicles	\$ 1,199,509	\$	327,484
c. Acquisition of Capital Equipment and Items			
(1) Octane Analyzers	\$ 40,000	\$	40,000
d. Other Lease Payments to the Master Lease Purchase Program (MLPP)			
(1) Metrology Laboratory	\$ 148,666	\$	148,329
Total, Capital Budget	\$ 1,704,783	\$	748,546

Method of Financing (Capital Budget):

General Revenue Fund	\$ 1,704,783	\$	748,546
Total, Method of Financing	\$ 1,704,783	\$	748,546

- 3. Fee Increase Authority and Limitation.** The Texas Department of Agriculture shall collect fee amounts which offset, when feasible, the direct and indirect costs of administering its regulatory activities. The department is hereby authorized to and shall increase fees by a percentage sufficient to offset costs associated with its regulatory activities. It is the intent of the Legislature that the cost offset percentage shall be 100 percent for regulatory activities in the following strategies: A.1.1, Generate Marketing Opportunities; A.1.2, Regulate Pesticide Use; A.1.3, Integrated Pest Management; B.1.1, Surveillance/Biosecurity Efforts; B.1.3, Agricultural Commodity Regulation; and C.1.1, Inspect Measuring Devices. The following activities are exempt from this requirement: Seed Testing; Quarantine Enforcement/Education; Piece Rate Crop Survey; Pest Management Program; Agriculture Hazard Communication Act; Boll Weevil Control Act; and Predatory Management Program.

DEPARTMENT OF AGRICULTURE
(Continued)

4. **Appropriation: Land Donations.** The Texas Department of Agriculture is hereby authorized to lease and/or accept the donation of land or the use of land from either governmental agencies, private firms, corporations, or individuals to be used in connection with the performance of its various responsibilities and programs.
5. **Pay for Regular Compensatory Time: Livestock Export Pen Operations.** It is expressly provided that the Texas Department of Agriculture, to the extent permitted by law, may pay Fair Labor Standards Act (FLSA) nonexempt employees in classified positions who are stationed at Texas Department of Agriculture livestock export pens for compensatory time hours on a straight-time basis when the taking of compensatory time off would be disruptive to normal working activities and other critical functions relating to livestock export pen operations.
6. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Texas Department of Agriculture is hereby authorized to direct agency resources, and transfer such amounts appropriated above between strategy line items.
7. **Appropriation: Young Farmer Loan Guarantee Program.** Out of the Young Farmer Loan Guarantee Account No. 5002, the Texas Agricultural Finance Authority is hereby appropriated for fiscal years 2008 and 2009, all necessary amounts required to cover any defaults on loans referenced under § 58.055, Texas Agriculture Code, or for payments for the purpose of providing reduced interest rates on loans guaranteed to borrowers as authorized by § 58.052(e), Texas Agriculture Code.
8. **Unexpended Balances Within the Biennium.** Any unexpended balances as of August 31, 2008, in the appropriations made herein to the Texas Department of Agriculture are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2008.
9. **Appropriations Limited to Revenue Collections: Octane Testing.** Included in amounts appropriated above to the Texas Department of Agriculture in Strategy C.1.1, Inspect Measuring Devices, the amount of \$355,137 from the General Revenue Fund (Revenue Object Code 3015) in each fiscal year of the biennium is contingent on the collection of fees, in accordance with Article 8614, § 9, Vernon's Texas Civil Statutes, to be used solely for the purpose of administering an octane testing program.
10. **Appropriations: License Plate Receipts.** Included in the amounts appropriated above in Strategy A.1.1, Generate Marketing Opportunities, are all balances and revenue collected on or after September 1, 2007 (estimated to be \$4,000 in GO TEXAN Partner Program Account No. 5051 in each fiscal year) from the sale of license plates as provided by Texas Transportation Code § 504.625. Any unexpended balances as of August 31, 2008, out of the appropriations made herein are appropriated to the Texas Department of Agriculture for the fiscal year beginning September 1, 2008.
11. **Interagency Contract: Oyster Promotions and Education.** Contingent upon sufficient funds in the Oyster Sales Account No. 5022, the Texas Department of Agriculture shall enter into an interagency contract with the Texas Department of State Health Services for oyster industry advertising and promotion efforts and to provide information, education and/or training to wholesalers, retailers, and consumers on the safe and proper handling of oysters, in accordance with Texas Agriculture Code § 47.
12. **Master Lease Purchase Program (MLPP) Payments for the Metrology Laboratory.** Included in the amounts appropriated above to the Texas Department of Agriculture in Strategy C.1.1, Inspect Measuring Devices, out of the General Revenue Fund, are amounts required in fiscal years 2008 and 2009 to make lease payments to the Texas Public Finance Authority for the revenue bonds issued to finance construction of the metrology laboratory. The amount of the required lease payments are estimated to be \$148,666 in fiscal year 2008 and \$148,329 in fiscal year 2009.

The Texas Department of Agriculture shall set fees for the metrology program to recover an amount equal to the amount of the appropriations made herein for lease payments, and maintain the fee rate in such an amount during the term of any revenue obligations authorized herein.

DEPARTMENT OF AGRICULTURE
(Continued)

13. **Appropriation: GO TEXAN Partner Program.** Included in amounts appropriated above to the Texas Department of Agriculture in Strategy A.1.1, Generate Marketing Opportunities, is \$1,000,000 out of the GO TEXAN Partner Program Account No. 5051 in fiscal year 2008, for the purpose of promoting Texas agricultural products. This amount consists of \$1,000,000 out of the General Revenue Fund to be transferred to the GO TEXAN Partner Program Account No. 5051.

Also included in amounts appropriated above in Strategy A.1.1, Generate Marketing Opportunities, is \$1,000,000 in Appropriated Receipts received as matching funds from program participants including gifts. All appropriations shall be transferred to the GO TEXAN Partner Program Account No. 5051 and are appropriated for the purpose of administering the program.

14. **Contingency to Increase the Full-Time-Equivalents (FTE) Cap for New Initiatives.** Contingent upon the receipt of federal funds above those appropriated herein for programs related to surveying, controlling or eradicating invasive pests or disease, the Texas Department of Agriculture is hereby authorized to increase its number of FTEs to the extent that federal funds are allocated for salary costs. These FTEs shall not be counted in the agency's "Number of Full-Time-Equivalents (FTE)" cap.

The Texas Department of Agriculture shall report all additional FTEs authorized by this provision to the Comptroller of Public Accounts, Legislative Budget Board and the Governor prior to filling such positions.

15. **Appropriations Limited to Revenue Collections: Prescribed Burn Manager Certification Program.** In addition to amounts appropriated above, the Texas Department of Agriculture is hereby appropriated fees collected (estimated to be \$0) in accordance with § 153.048, Natural Resources Code, to be used solely for the purpose of administering a prescribed burn manager certification program in Strategy A.1.2, Regulate Pesticide Use.

16. **Agricultural Sustainability Programs.** Out of funds appropriated above, the Texas Department of Agriculture may study, develop, and implement, creative technology and innovative solutions to mitigate agricultural non-point source pollution in the state from confined animal feeding operations and improve total resource management of agricultural and wildlife resources in the state.

17. **Appropriation of Receipts: Yardage Fees.** Included in the amounts appropriated above pursuant to Agriculture Code § 146.021 and included above in Strategy A.1.1, Generate Marketing Opportunities, and identified above in the method of finance as General Revenue in an amount not to exceed \$200,000 for each fiscal year is yardage fee revenue collected by the Texas Department of Agriculture for maintenance and operating expenses for livestock export pens.

18. **Texas Capital Fund.** All grants awarded by the Texas Department of Agriculture for infrastructure development and real estate development under the federal Community Development Block Grant Program shall be distributed with a priority on assisting manufacturers and value-added processors. To the greatest extent practicable, these funds are to be distributed equitably to all regions of this state.

19. **Child Nutrition Program.** Included in the amounts appropriated above to the Texas Department of Agriculture for the 2008-09 biennium is \$21,400,000 out of Federal Funds and \$398,248 out of the General Revenue Fund in Strategy D.1.1, Support Nutrition Programs, to administer the Child Nutrition Program.

The Child Nutrition Program (CNP) payments to independent school districts shall be budgeted at the Texas Education Agency and the CNP shall be administered by the Texas Department of Agriculture pursuant to a waiver from the United States Department of Agriculture (USDA). Included in the amounts appropriated elsewhere in this Act to the Texas Education Agency for the 2008-09 biennium is \$2,707,368,183 out of Federal Funds and \$28,800,000 out of the General Revenue Fund to provide reimbursement for the National School Lunch Program, the School Breakfast Program, the After School Snack Program, and the Seamless Summer Program.

DEPARTMENT OF AGRICULTURE

(Continued)

20. **Texas Wine Marketing Assistance Program.** Included in the amounts appropriated above out of the General Revenue Fund is \$250,000 each fiscal year in Strategy A.1.1, Generate Marketing Opportunities, from fee revenue transferred from the Texas Alcoholic Beverage Commission pursuant to Texas Alcoholic Beverage Code § 5.56 for the purpose of administering the Texas Wine Marketing program.
21. **Texas Shrimp Marketing Assistance Program.** Included in the amounts appropriated above out of the General Revenue Fund in Strategy A.1.1, Generate Marketing Opportunities, is \$25,000 each fiscal year from fees collected pursuant to Agriculture Code § 134.014(b) and \$250,000 each fiscal year from fee revenue transferred from the Texas Parks and Wildlife Department pursuant to Parks and Wildlife Code § 77.002(c) for the purpose of administering the Texas Shrimp Marketing program.
22. **Appropriation: Texas Yes! Program.** Included in amounts appropriated above to the Texas Department of Agriculture in Strategy A.1.1, Generate Marketing Opportunities, is \$1,000,000 out of the General Revenue Fund in fiscal year 2008 for the Texas Yes! Program.
23. **Appropriation: Feral Hog Abatement Program.** Included in the amounts appropriated above out of the General Revenue Fund in Strategy A.1.1, Generate Marketing Opportunities, is \$1,000,000 in fiscal year 2008 to be used to implement feral hog abatement technologies.

Any unexpended balances as of August 31, 2008 out of appropriations made herein are appropriated to the Texas Department of Agriculture for the same purpose for the fiscal year beginning September 1, 2008.

The Texas Department of Agriculture shall submit a report to the Legislative Budget Board and the Governor no later than September 1, 2008 providing information on the number of feral hogs abated and the cost per abatement using certain technologies.

24. **Appropriation: Surplus Agricultural Product Grant Program.** Included in the amounts appropriated above out of the General Revenue Fund in Strategy A.1.1, Generate Marketing Opportunities, is \$1,500,000 in fiscal year 2008 to be used to fund the Surplus Agricultural Product Grant Program to offset the costs of harvesting, gleaning and transporting agricultural products to Texas food banks.

Any unexpended balances as of August 31, 2008 out of appropriations made herein are appropriated to the Texas Department of Agriculture for the same purpose for the fiscal year beginning September 1, 2008.

25. **Appropriation: Inspection Stations.** Included in the amounts appropriated above out of the General Revenue Fund in Strategy B.1.1, Surveillance/Biosecurity Efforts, is \$767,297 in fiscal year 2008 and \$573,155 in fiscal year 2009 for additional road station inspections. The Number of Full-Time Equivalents (FTE) for the Department of Agriculture includes 12.0 FTEs associated with additional inspections in each fiscal year of the 2008-09 biennium.

26. **Appropriation: Nutrition Assistance Program Funding and Employees.**

- (a) Included in the amounts appropriated above to the Department of Agriculture for the purpose of administering a nutrition assistance program are:
 - (1) for the state fiscal year beginning September 1, 2007, the amount of \$859,937 in general revenue and the amount of \$265,884,777 in federal funds; and
 - (2) for the state fiscal year beginning September 1, 2008, the amount of \$859,937 in general revenue and the amount of \$265,884,770 in federal funds.
- (b) The number of authorized full-time equivalent employees (FTEs) for the Department of Agriculture includes 99.0 FTEs for each fiscal year of the biennium to administer the department's nutrition assistance program.
- (c) If the 80th Legislature, Regular Session, 2007, does not enact legislation that becomes law and that transfers the responsibility for administering the nutrition assistance program from the Health and Human Services Commission to the Department of Agriculture:

DEPARTMENT OF AGRICULTURE
(Continued)

- (1) the appropriations made by Subsection (a) above do not take effect and the same amounts from the same sources are appropriated for the same purpose and the same state fiscal years to the Health and Human Services Commission; and
- (2) the increase in the department's authorized full-time equivalent employees (FTEs) as provided by Subsection (b) above does not take effect and the number of authorized FTEs for the Health and Human Services Commission is increased by 99.0 FTEs for each fiscal year of the biennium to administer the commission's nutrition assistance program.

27. Zebra Chip Research. Out of the funds appropriated above in Strategy A.1.1, Generate Marketing Opportunities, \$1,600,000 shall be used to fund research on the pathogens that cause Zebra Chip Disease affecting potatoes in Texas. The Texas Department of Agriculture and the Texas Agricultural Experiment Station shall enter into an interagency contract for the funds appropriated above to be used for the same purpose.

ANIMAL HEALTH COMMISSION

	For the Years Ending	
	August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	\$ 9,792,202	\$ 9,765,182
Federal Funds	<u>4,504,651</u>	<u>4,504,651</u>
Total, Method of Financing	<u>\$ 14,296,853</u>	<u>\$ 14,269,833</u>
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	209.0	209.0
Schedule of Exempt Positions:		
Executive Director, Group 4	\$120,000	\$120,000
Items of Appropriation:		
A. Goal: PROTECT/ENHANCE TEXAS ANIMAL HEALTH		
Protect/Enhance Health of Texas Animal Populations.		
A.1.1. Strategy: FIELD OPERATIONS	\$ 10,216,293	\$ 10,182,348
Field Operations for Animal Health Management and Assurance Programs.		
A.1.2. Strategy: DIAGNOSTIC/EPIDEMIOLOGICAL SUPPORT	\$ 2,115,714	\$ 2,133,234
Diagnostic/Epidemiological Support Services.		
A.1.3. Strategy: PROMOTE COMPLIANCE	\$ 395,662	\$ 391,827
Promote Compliance and Resolve Violations.		
Total, Goal A: PROTECT/ENHANCE TEXAS ANIMAL HEALTH	<u>\$ 12,727,669</u>	<u>\$ 12,707,409</u>
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: CENTRAL ADMINISTRATION	\$ 936,265	\$ 935,265
B.1.2. Strategy: INFORMATION RESOURCES	\$ 329,563	\$ 323,803
B.1.3. Strategy: OTHER SUPPORT SERVICES	<u>\$ 303,356</u>	<u>\$ 303,356</u>
Total, Goal B: INDIRECT ADMINISTRATION	<u>\$ 1,569,184</u>	<u>\$ 1,562,424</u>
Grand Total, ANIMAL HEALTH COMMISSION	<u>\$ 14,296,853</u>	<u>\$ 14,269,833</u>
Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 7,874,305	\$ 7,874,305
Other Personnel Costs	498,827	504,107

ANIMAL HEALTH COMMISSION

(Continued)

Professional Fees and Services	170,253	169,253
Fuels and Lubricants	74,314	74,314
Consumable Supplies	257,259	257,259
Utilities	165,022	166,582
Travel	831,939	831,939
Rent - Building	380,218	380,218
Rent - Machine and Other	54,262	54,262
Other Operating Expense	3,755,376	3,738,516
Capital Expenditures	<u>235,078</u>	<u>219,078</u>

Total, Object-of-Expense Informational Listing	\$ <u>14,296,853</u>	\$ <u>14,269,833</u>
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Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

<u>Employee Benefits</u>		
Retirement	\$ 485,756	\$ 493,042
Group Insurance	1,852,531	1,891,437
Social Security	593,075	601,971
Benefits Replacement	<u>99,665</u>	<u>94,682</u>

Subtotal, Employee Benefits	<u>\$ 3,031,027</u>	<u>\$ 3,081,132</u>
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Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	\$ <u>3,031,027</u>	\$ <u>3,081,132</u>
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- Performance Measure Targets.** The following is a listing of the key performance target levels for the Animal Health Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Animal Health Commission. In order to achieve the objectives and service standards established by this Act, the Animal Health Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2008</u>	<u>2009</u>
A. Goal: PROTECT/ENHANCE TEXAS ANIMAL HEALTH Outcome (Results/Impact):		
Percent Change in Known Prevalence of Bovine Brucellosis from the 1994 Level	(100)%	(100)%
A.1.1. Strategy: FIELD OPERATIONS Output (Volume):		
Number of Livestock Shipments Inspected	4,000	4,000
A.1.2. Strategy: DIAGNOSTIC/EPIDEMIOLOGICAL SUPPORT Output (Volume):		
Number of Specimens Processed through the State/Federal Cooperative Laboratory System	2,700,000	2,700,000
A.1.3. Strategy: PROMOTE COMPLIANCE Output (Volume):		
Number of Compliance Actions Completed	400	400

- Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	<u>2008</u>	<u>2009</u>
a. Acquisition of Information Resource Technologies		
(1) Technology Refresh	\$ 129,325	\$ 113,325
b. Transportation Items		
(1) Fleet Vehicles	\$ 73,500	\$ 73,500
Total, Capital Budget	<u>\$ 202,825</u>	<u>\$ 186,825</u>

ANIMAL HEALTH COMMISSION
(Continued)

Method of Financing (Capital Budget):

General Revenue Fund	\$ 202,825	\$ 186,825
Total, Method of Financing	\$ 202,825	\$ 186,825

3. **Unexpended Balance Authority: Within the Biennium.** The Texas Animal Health Commission is hereby authorized to carry forward and is hereby appropriated any unexpended balances from fiscal year 2008 to fiscal year 2009.
4. **Laboratory Testing.** It is the intent of the Legislature that laboratory testing for animal diseases be performed at the Texas Veterinary Medical Diagnostic Lab (TVMDL) to the extent of its capabilities, unless the Texas Animal Health Commission (TAHC) State-Federal Laboratory can perform the testing for TAHC programs more cost effectively. Furthermore, the Texas Animal Health Commission will work with TVMDL to reduce duplication and ensure that all testing is performed in Texas to the extent possible.
5. **Testing and Immunization of Employees.** Funds appropriated above may be expended for any immunization or testing, which is required of employees at risk in the performance of their duties.
6. **Fee Revenue: Poultry Registration.** Included in the amounts appropriated above out of the General Revenue Fund is \$37,705 each fiscal year in Strategy A.1.1, Field Operations, from fees collected pursuant to Agriculture Code § 161.0411 for the purpose of administering the poultry registration program.
7. **Contingency to Increase the Full-Time-Equivalents (FTE) Cap for Federally Funded Programs.** Contingent upon the receipt of federal funds above those appropriated in this Act for programs related to animal identification or surveillance, control, or eradication of animal health pests or diseases, the Texas Animal Health Commission is hereby authorized to increase its number of FTEs to the extent that federal funds are allocated for salary costs. These FTEs shall not be counted against the agency's "Number of Full-Time-Equivalents (FTE)" cap.

The Texas Animal Health Commission shall report all additional FTEs authorized by this provision to the Comptroller of Public Accounts, the Legislative Budget Board, and the Governor prior to filling a position described by this rider.
8. **Sunset Contingency.** Funds appropriated above for fiscal year 2009 for the Animal Health Commission are made contingent on the continuation of the Animal Health Commission by the Eightieth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2008, or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.
9. **Fee Revenue: Premises Registration.** Included in the amounts appropriated above out of the General Revenue Fund is \$95,886 each fiscal year in Strategy A.1.1, Field Operations, from fees collected pursuant to Agriculture Code § 161.056 for the purpose of administering the premises registration program.
10. **Allowance for Personally-Owned Horses.** Funds appropriated above may be expended to provide an allowance not to exceed fifty dollars (\$50) per employee per day for each Commission employee whose duties required the use of a personally-owned horse.
11. **Contingency for Capital Budget Items.** Contingent on the receipt of earned federal funds in excess of the amounts specified in Article IX, Sec. 6.26 by \$202,825 in fiscal year 2008 and by \$186,825 in fiscal year 2009, the Animal Health Commission is authorized to purchase the items identified in the Capital Budget (Rider No. 2) up to the amounts specified above.
12. **Transfer Study.** The staff of the Legislative Budget Board shall prepare a study which evaluates the feasibility of and identifies any cost savings associated with transferring the Animal Health Commission to the Texas Department of Agriculture. This report must be submitted to the Legislative Budget Board and the Governor no later than September 1, 2008.

COMMISSION ON ENVIRONMENTAL QUALITY

	For the Years Ending	
	August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	\$ 8,341,815	\$ 8,316,571
<u>General Revenue Fund - Dedicated</u>		
Low Level Waste Account No. 088	1,789,586	1,039,586
Used Oil Recycling Account No. 146	920,457	920,457
Clean Air Account No. 151	100,613,658	95,920,076
Water Resource Management Account No. 153	45,455,534	44,807,214
Watermaster Administration No. 158	1,152,684	1,152,685
TCEQ Occupational Licensing Account No. 468	1,702,443	1,592,443
Waste Management Account No. 549	41,141,442	40,793,940
Hazardous and Solid Waste Remediation Fee Account No. 550	27,065,959	26,494,207
Petroleum Storage Tank Remediation Account No. 655	55,743,529	21,640,000
Solid Waste Disposal Account No. 5000	10,986,324	10,986,324
Environmental Testing Laboratory Accreditation Account No. 5065	444,151	444,151
Texas Emissions Reduction Plan Account No. 5071	166,921,594	170,921,594
Dry Cleaning Facility Release Account No. 5093	7,203,912	7,203,912
Operating Permit Fees Account No. 5094	28,981,173	28,853,672
Subtotal, General Revenue Fund - Dedicated	\$ 490,122,446	\$ 452,770,261
Federal Funds	43,018,614	41,677,663
<u>Other Funds</u>		
Appropriated Receipts	1,145,348	1,145,348
Interagency Contracts	6,270,698	6,060,698
Subtotal, Other Funds	\$ 7,416,046	\$ 7,206,046
Total, Method of Financing	\$ 548,898,921	\$ 509,970,541
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	\$ 563,143	\$ 566,641
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	2,939.0	2,932.0
Schedule of Exempt Positions:		
Executive Director, Group 5	\$145,200	\$145,200
Commissioner, Chair, Group 6	122,971	122,971
Commissioner, Group 6 (2)	(2) 120,120	(2) 120,120
Red River Compact Commissioner	24,225	24,225
Rio Grande Compact Commissioner	41,195	41,195
Sabine River Compact Commissioner	(2) 8,487	(2) 8,487
Canadian River Compact Commissioner	10,767	10,767
Pecos River Compact Commissioner	32,247	32,247
Items of Appropriation:		
A. Goal: ASSESSMENT, PLANNING AND PERMITTING		
A.1.1. Strategy: AIR QUALITY ASSESSMENT AND PLANNING	\$ 257,476,677	\$ 257,248,000
A.1.2. Strategy: WATER ASSESSMENT AND PLANNING	\$ 30,477,215	\$ 29,437,105
A.1.3. Strategy: WASTE ASSESSMENT AND PLANNING	\$ 13,677,610	\$ 13,499,387
A.2.1. Strategy: AIR QUALITY PERMITTING	\$ 13,302,814	\$ 13,349,105
A.2.2. Strategy: WATER RESOURCE PERMITTING	\$ 11,994,553	\$ 11,962,560
A.2.3. Strategy: WASTE MANAGEMENT AND PERMITTING	\$ 9,240,274	\$ 9,350,876
A.2.4. Strategy: OCCUPATIONAL LICENSING	\$ 3,552,506	\$ 3,442,506
A.3.1. Strategy: LOW-LEVEL RADIOACTIVE WASTE MGMT	\$ 1,789,586	\$ 1,039,586
Low-level Radioactive Waste Management.		
Total, Goal A: ASSESSMENT, PLANNING AND PERMITTING	\$ 341,511,235	\$ 339,329,125

COMMISSION ON ENVIRONMENTAL QUALITY
(Continued)

B. Goal: DRINKING WATER AND WATER UTILITIES		
Enforcement and Compliance Assistance.		
B.1.1. Strategy: SAFE DRINKING WATER Safe Drinking Water Oversight.	\$ 11,256,218	\$ 11,027,468
B.1.2. Strategy: WATER UTILITIES OVERSIGHT	\$ 2,436,790	\$ 2,350,182
Total, Goal B: DRINKING WATER AND WATER UTILITIES	<u>\$ 13,693,008</u>	<u>\$ 13,377,650</u>
C. Goal: ENFORCEMENT AND COMPLIANCE SUPPORT		
Enforcement and Compliance Assistance.		
C.1.1. Strategy: FIELD INSPECTIONS & COMPLAINTS Field Inspections and Complaint Response.	\$ 36,683,297	\$ 35,732,128
C.1.2. Strategy: ENFORCEMENT & COMPLIANCE SUPPORT Enforcement and Compliance Support.	\$ 11,727,248	\$ 11,584,690
C.1.3. Strategy: POLLUTION PREVENTION RECYCLING Pollution Prevention, Recycling and Innovative Programs.	\$ 4,992,662	\$ 4,857,851
Total, Goal C: ENFORCEMENT AND COMPLIANCE SUPPORT	<u>\$ 53,403,207</u>	<u>\$ 52,174,669</u>
D. Goal: POLLUTION CLEANUP		
Pollution Cleanup Programs to Protect Public Health & the Environment.		
D.1.1. Strategy: STORAGE TANK ADMIN & CLEANUP Storage Tank Administration and Cleanup.	\$ 64,962,551	\$ 30,859,022
D.1.2. Strategy: HAZARDOUS MATERIALS CLEANUP	\$ 32,074,140	\$ 32,074,142
Total, Goal D: POLLUTION CLEANUP	<u>\$ 97,036,691</u>	<u>\$ 62,933,164</u>
E. Goal: RIVER COMPACT COMMISSIONS		
Ensure Delivery of Texas' Equitable Share of Water.		
E.1.1. Strategy: CANADIAN RIVER COMPACT	\$ 19,622	\$ 19,622
E.1.2. Strategy: PECOS RIVER COMPACT	\$ 119,311	\$ 119,311
E.1.3. Strategy: RED RIVER COMPACT	\$ 29,667	\$ 29,667
E.1.4. Strategy: RIO GRANDE RIVER COMPACT	\$ 132,855	\$ 132,855
E.1.5. Strategy: SABINE RIVER COMPACT	\$ 54,654	\$ 54,654
Total, Goal E: RIVER COMPACT COMMISSIONS	<u>\$ 356,109</u>	<u>\$ 356,109</u>
F. Goal: INDIRECT ADMINISTRATION		
F.1.1. Strategy: CENTRAL ADMINISTRATION	\$ 20,426,533	\$ 19,665,577
F.1.2. Strategy: INFORMATION RESOURCES	\$ 11,812,403	\$ 11,490,112
F.1.3. Strategy: OTHER SUPPORT SERVICES	\$ 10,659,735	\$ 10,644,135
Total, Goal F: INDIRECT ADMINISTRATION	<u>\$ 42,898,671</u>	<u>\$ 41,799,824</u>
Grand Total, COMMISSION ON ENVIRONMENTAL QUALITY	<u>\$ 548,898,921</u>	<u>\$ 509,970,541</u>
Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 141,559,675	\$ 141,253,200
Other Personnel Costs	6,482,321	6,470,616
Professional Fees and Services	93,245,459	80,204,168
Fuels and Lubricants	457,293	457,293
Consumable Supplies	1,370,282	1,351,274
Utilities	2,259,469	2,261,819
Travel	2,065,520	2,065,519
Rent - Building	5,155,788	5,155,407
Rent - Machine and Other	1,173,730	1,173,730
Other Operating Expense	244,740,294	220,883,626
Client Services	15,113,669	15,113,669
Grants	28,291,194	28,485,297
Capital Expenditures	<u>6,984,227</u>	<u>5,094,923</u>
Total, Object-of-Expense Informational Listing	<u>\$ 548,898,921</u>	<u>\$ 509,970,541</u>
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
<u>Employee Benefits</u>		
Retirement	\$ 9,104,857	\$ 9,241,429

COMMISSION ON ENVIRONMENTAL QUALITY
(Continued)

Group Insurance	18,948,202	19,145,656
Social Security	10,953,196	11,117,494
Benefits Replacement	<u>1,207,200</u>	<u>1,146,840</u>
Subtotal, Employee Benefits	\$ 40,213,455	\$ 40,651,419
<u>Debt Service</u>		
Lease Payments	\$ 3,531,515	\$ 3,450,849
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	\$ 43,744,970	\$ 44,102,268

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Commission on Environmental Quality. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Commission on Environmental Quality. In order to achieve the objectives and service standards established by this Act, the Commission on Environmental Quality shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2008</u>	<u>2009</u>
A. Goal: ASSESSMENT, PLANNING AND PERMITTING		
Outcome (Results/Impact):		
Annual Percent of Stationary and Mobile Source Pollution Reductions in Nonattainment Areas	6%	6%
Nitrogen Oxides (NOx) Emissions Reduced through the Texas Emissions Reduction Plan (TERP)	70%	86.43%
Annual Percent Reduction in Pollution from Permitted Wastewater Facilities Discharging to the Waters of the State	.8%	.8%
Percent of Texas Surface Water Meeting or Exceeding Water Quality Standards	67%	67%
Annual Percent Reduction in Disposal of Municipal Solid Waste Per Capita	(.02)%	(.02)%
Annual Percent Decrease in the Toxic Releases in Texas	2%	2%
Percent of Scheduled Licensing Activities Complete	100%	100%
A.1.1. Strategy: AIR QUALITY ASSESSMENT AND PLANNING		
Output (Volume):		
Number of Point Source Air Quality Assessments	2,000	2,000
Number of Area Source Air Quality Assessments	2,500	2,500
Number of Mobile Source Air Quality Assessments	1,250	1,250
Number of Tons of Nitrogen Oxides Reduced Per Year through Texas Emissions Reduction Plan Expenditures	28,611	29,318
Number of New Technology Grant Proposals Reviewed	62	64
Number of Vehicles Repaired and/or Replaced through LIRAP Assistance	25,572	25,572
Efficiencies:		
Average Cost of Low Income Repair Assistance Program (LIRAP) Vehicle Emissions Repairs/Retrofits	525	525
Average Cost Per Ton of Nitrous Oxides Reduced through Texas Emissions Reduction Plan Expenditures	5,000	5,000
Average Number of Days to Review a Grant Proposal	1	1
A.1.2. Strategy: WATER ASSESSMENT AND PLANNING		
Output (Volume):		
Number of Surface Water Assessments	67	119
Number of Groundwater Assessments	60	60
A.1.3. Strategy: WASTE ASSESSMENT AND PLANNING		
Output (Volume):		
Number of Municipal Solid Waste Facility Capacity Assessments	250	250
Efficiencies:		
Average Cost per Municipal Solid Waste Facility Capacity Assessment	35	35
A.2.1. Strategy: AIR QUALITY PERMITTING		
Output (Volume):		
Number of State and Federal New Source Review Air Quality Permit Applications Reviewed	5,800	6,000
Number of Federal Air Quality Operating Permits Reviewed	1,100	1,100
A.2.2. Strategy: WATER RESOURCE PERMITTING		
Output (Volume):		
Number of Applications to Address Water Quality Impacts Reviewed	18,158	18,158

COMMISSION ON ENVIRONMENTAL QUALITY
(Continued)

Number of Concentrated Animal Feeding Operation (CAFO) Authorizations Reviewed	90	90
A.2.3. Strategy: WASTE MANAGEMENT AND PERMITTING		
Output (Volume):		
Number of Nonhazardous Waste Permit Applications Reviewed	236	236
Number of Hazardous Waste Permit Applications Reviewed	160	160
A.2.4. Strategy: OCCUPATIONAL LICENSING		
Output (Volume):		
Number of Examinations Administered	10,500	10,500
B. Goal: DRINKING WATER AND WATER UTILITIES		
Outcome (Results/Impact):		
Percent of Texas Population Served by Public Water Systems Which Meet Drinking Water Standards	94%	90%
B.1.1. Strategy: SAFE DRINKING WATER		
Output (Volume):		
Number of Public Drinking Water Systems Which Meet Primary Drinking Water Standards	6,200	6,200
Number of Drinking Water Samples Collected	36,051	36,051
B.1.2. Strategy: WATER UTILITIES OVERSIGHT		
Output (Volume):		
Number of Utility Rate Reviews Performed	100	100
C. Goal: ENFORCEMENT AND COMPLIANCE SUPPORT		
Outcome (Results/Impact):		
Percent of Inspected or Investigated Air Sites in Compliance	98%	98%
Percent of Inspected or Investigated Water Sites and Facilities in Compliance	97%	97%
Percent of Inspected or Investigated Waste Sites in Compliance	97%	97%
Percent of Identified Noncompliant Sites and Facilities for Which Timely and Appropriate Enforcement Action Is Taken	85%	85%
Percent of Administrative Penalties Collected	88%	88%
C.1.1. Strategy: FIELD INSPECTIONS & COMPLAINTS		
Output (Volume):		
Number of Inspections and Investigations of Air Sites	13,000	13,000
Number of Inspections and Investigations of Water Rights Sites	34,000	34,000
Number of Inspections and Investigations of Water Sites and Facilities	8,500	8,500
Number of Inspections and Investigations of Livestock and Poultry Operation Sites	700	700
Number of Inspections and Investigations of Waste Sites	7,358	7,358
C.1.2. Strategy: ENFORCEMENT & COMPLIANCE SUPPORT		
Output (Volume):		
Number of Environmental Laboratories Accredited	300	300
Number of Small Businesses and Local Governments Assisted	54,000	54,000
D. Goal: POLLUTION CLEANUP		
Outcome (Results/Impact):		
Percent of Leaking Petroleum Storage Tank Sites Cleaned up	88%	90%
Percent of Superfund Sites Cleaned up	57%	56%
Percent of Voluntary and Brownfield Cleanup Properties Made Available for Commercial, Industrial and Community Redevelopment, or Other Economic Reuse	65%	65.1%
D.1.1. Strategy: STORAGE TANK ADMIN & CLEANUP		
Output (Volume):		
Number of Petroleum Storage Tank Reimbursement Applications Processed	3,500	0
D.1.2. Strategy: HAZARDOUS MATERIALS CLEANUP		
Output (Volume):		
Number of Voluntary and Brownfield Cleanups Completed	80	80
Number of Superfund Sites in Texas Undergoing Evaluation and Cleanup	67	73
Number of Superfund Cleanups Completed	4	4
Number of Dry Cleaner Remediation Program Applications Received	30	30

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(Continued)

E. Goal: RIVER COMPACT COMMISSIONS

Outcome (Results/Impact):

The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Canadian River Compact	100%	100%
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Pecos River Compact	100%	100%
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Red River Compact	100%	100%
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Rio Grande River Compact	100%	100%
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Sabine River Compact	100%	100%

- 2. Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code, § 1232.103.

	<u>2008</u>	<u>2009</u>
a. Acquisition of Information Resource Technologies		
(1) Life Cycle Replacement	\$ 657,582	\$ 545,762
(2) New Capacity	358,866	433,291
(3) Personal Computer and Printer Replacement	748,453	899,493
(4) Software	672,409	UB
(5) Integrated Billing and Accounts Receivable System	363,000	187,800
(6) State of Texas Air Reporting System Web-Based Electronic Submission, Phase II	255,000	UB
(7) TCEQ Automated Budget System Monitoring and LAR System	777,600	380,239
(8) Texas Air Monitoring Information System (TAMIS) New Development	200,000	126,400
(9) Purchasing & Contracts Enterprise	204,000	173,400
(10) Occupational Licensing Program Enhancements	85,000	UB
(11) HR Retooling	275,400	UB
(12) Data Repository, Enhancement for the Water Utility Database (WUD)	297,500	UB
(13) Data Network and Security	707,479	734,598
Total, Acquisition of Information Resource Technologies	\$ <u>5,602,289</u>	\$ <u>3,480,983</u>
b. Transportation Items		
(1) Replacement Boats	78,585	50,700
(2) Replacement Vehicles for Agency Fleet	1,574,249	441,679
Total, Transportation Items	\$ <u>1,652,834</u>	\$ <u>492,379</u>
c. Acquisition of Capital Equipment and Items		
(1) Air Monitoring Equipment	1,196,010	1,195,269
(2) Water Monitoring and Analysis Equipment	637,500	637,500
Total, Acquisition of Capital Equipment and Items	\$ <u>1,833,510</u>	\$ <u>1,832,769</u>
Total, Capital Budget	\$ <u><u>9,088,633</u></u>	\$ <u><u>5,806,131</u></u>

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(Continued)

Method of Financing (Capital Budget):

General Revenue Fund - Dedicated

Clean Air Account No. 151	\$ 4,062,291	\$ 3,091,426
Water Resource Management Account No. 153	1,895,720	1,082,738
TCEQ Occupational Licensing Account No. 468	156,160	46,160
Waste Management Account No. 549	1,926,607	1,447,206
Hazardous and Solid Waste Remediation Fee Account No. 550	710,355	138,601
Operating Permit Fees Account No. 5094	127,500	0
Subtotal, General Revenue Fund - Dedicated	<u>\$ 8,878,633</u>	<u>\$ 5,806,131</u>

Interagency Contracts	<u>210,000</u>	<u>0</u>
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Total, Method of Financing	<u>\$ 9,088,633</u>	<u>\$ 5,806,131</u>
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3. **Contingency Cash Flow.** If the Legislative Budget Board and Governor determine after review of relevant information that cash flow difficulties will occur as a result of the appropriations made above, the board and Governor may authorize the Texas Commission on Environmental Quality (TCEQ) to temporarily expend General Revenue funds for the purpose of meeting the temporary cash flow needs of the TCEQ, limited to the amounts appropriated above. The transfer of funds shall be repaid to the General Revenue Fund by the end of the fiscal year in which the funds were transferred under procedures and standards established by the Comptroller of Public Accounts.
4. **Authorization: Aircraft Chartering.** Notwithstanding any other provision of this Act, the Texas Commission on Environmental Quality is authorized to spend appropriated funds for the chartering of aircraft for the purposes of monitoring environmental quality, and the enforcement of environmental and water rights laws of the State.
5. **Local Air Pollution Grants Allocation.** Out of the amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, an amount not less than \$2,800,000 in each year of the biennium shall be utilized to fund grants or cooperative agreements with eligible local air pollution programs under Health and Safety Code, § 382.0622. It is provided, however, that the combined federal and state share of the funding for any such local air pollution programs shall not exceed 67 percent of the total allocation to the programs, with the local share being based on the local dollars allocated pursuant to maintenance-of-effort requirements for federal air pollution grants.
6. **Fee Revenue: Pollution Control Equipment Exemptions.** Pursuant to Tax Code, § 11.31, included in amounts appropriated above out of the General Revenue Fund in Strategy C.1.3, Pollution Prevention, Recycling, and Innovative Programs, is \$133,600 each fiscal year from fee revenue collected beginning with the effective date of this Act for the purpose of determining whether pollution control equipment is exempt from taxation.

In addition to amounts appropriated above, any amounts collected by the Texas Commission on Environmental Quality pursuant to Tax Code, § 11.31 on or after September 1, 2007, in excess of \$133,600 in each fiscal year of the biennium are hereby appropriated to the agency.

7. **Authorization: Operating Fund.** The Texas Commission on Environmental Quality (TCEQ) is hereby authorized to make transfers from any appropriation made to TCEQ into a single account in the General Revenue Fund known as the "Texas Commission on Environmental Quality Operating Fund" for the purpose of making expenditures for which appropriations were made in this Act. After the expenditures have been made from the fund and as soon as the proper strategies have been identified, TCEQ shall process adjustments to the Comptroller in summary accounts to facilitate accurate cost allocations; provided, however, that each special account and fund shall be used for the purposes as now described by law and nothing shall be done to jeopardize or divert the special accounts and funds or any portion thereof including federal aid.
8. **Appropriation: Air Quality Planning.** Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$5,075,000 for the biennium for air quality planning activities to reduce ozone and other federally designated criteria pollutants as approved by the Texas Commission on Environmental Quality (TCEQ) in areas including Austin, Corpus Christi, Longview-Tyler-Marshall, San Antonio, and Victoria. These activities may include identifying, inventorying,

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(Continued)

and monitoring of current pollution levels; modeling future pollution levels; and the identification, quantification, and implementation of potential pollution reduction through appropriate controls. The areas receiving funds shall coordinate with the TCEQ to ensure that these activities are consistent with agency monitoring, inventory and modeling approaches and infrastructure.

9. **Appropriations Limited to Revenue Collections: Occupational Licensing.** It is the intent of the Legislature that fees, fines and other miscellaneous revenues deposited to the TCEQ Occupational Licensing Account No. 468 as authorized and generated by the agency cover, at a minimum, the cost of the appropriations made above for strategy item A.2.4, Occupational Licensing, as well as the "Other direct and indirect costs" associated with this strategy, appropriated elsewhere in this Act. "Other direct and indirect costs" for strategy A.2.4, Occupational Licensing, are estimated to be \$338,915 for fiscal year 2008 and \$340,643 for fiscal year 2009. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.
10. **Contract with the State Office of Administrative Hearings.** Included in the amounts appropriated above is \$938,860 in fiscal year 2008 and \$938,860 in fiscal year 2009 to cover the cost of contracting with the State Office of Administrative Hearings for funding the Natural Resources Division for the purpose of conducting administrative hearings and for related expenses. The Texas Commission on Environmental Quality (TCEQ) and the State Office of Administrative Hearings may not enter into a contract for an amount less than the amounts specified herein. If the State Office of Administrative Hearings determines, at the end of each fiscal year, that the amount paid under the contract exceeds the necessary funding, it shall refund the difference to TCEQ. If the State Office of Administrative Hearings determines that the amounts are insufficient to fund the Natural Resources Division, the State Office of Administrative Hearings may enter into negotiations with TCEQ in order to renegotiate the interagency contract to provide additional funds for administrative hearings. The State Office of Administrative Hearings is not appropriated any state funds from such renegotiated contracts until it gives written notice to the Legislative Budget Board and the Governor, together with written permission of the agency.
11. **Petroleum Storage Tank Administration.** Out of funds appropriated above in Strategy D.1.1, Storage Tank Administration and Cleanup, not more than \$7,700,000 in gross receipts to the Petroleum Storage Tank Remediation (PSTR) Account No. 655 each fiscal year may be transferred to the Waste Management Account No. 549 for necessary expenses associated with the PSTR Account No. 655 and the groundwater protection cleanup program, in accordance with Water Code, § 26.3573 (d)-(e). Furthermore, the Texas Commission on Environmental Quality (TCEQ) shall not transfer funds, from the PSTR Account No. 655 from Strategy D.1.1, Storage Tank Administration and Cleanup, to any other strategy.

For the purposes of implementing activities supported in Strategy D.1.1, Storage Tank Administration and Cleanup, the TCEQ is exempt from provisions of Article IX relating to the inclusion of temporary or contract workers in the calculation of the number of Full-Time Equivalent (FTE) positions by a state agency.
12. **Texas Parks and Wildlife Environmental Special Investigations Unit.** Included in amounts appropriated above in Strategy C.1.2, Enforcement and Compliance Support, is \$250,000 out of Waste Management Account No. 549 for each fiscal year of the biennium for the purpose of supporting the Texas Parks and Wildlife Department's Environmental Special Investigations Unit to enforce state and federal laws on illegal dumping. This appropriation is contingent on a memorandum of understanding and an interagency transfer of the funds between the Texas Parks and Wildlife Department and the Texas Commission on Environmental Quality to jointly administer the program. Any unexpended balance of this appropriation from fiscal year 2008 is appropriated for the same purpose for fiscal year 2009.
13. **Federal Funds and Capital Budget Expenditures.** To comply with the legislative intent to maximize the use of federal funds and to fulfill grant requirements required for the receipt and expenditure of federal funds, the Texas Commission on Environmental Quality (TCEQ) is hereby exempted from the Capital Budget Rider Provisions contained in Article IX of this Act, "Limitations on Expenditures - Capital Budget", when federal funds are received in excess of amounts identified in the agency's Capital Budget Rider and such funds are federally designated solely for the purchase of specific capital items. In addition, TCEQ also is hereby

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(Continued)

exempted from the Capital Budget Rider provisions within Article IX of this Act when funds are received in the form of gifts to the agency in excess of amounts identified in the agency's Capital Budget Rider and such funds are designated solely for the purchase of specific capital items. The TCEQ shall notify the Legislative Budget Board and the Governor upon receipt of such federal funds or gift proceeds, of the amount received and items to be purchased.

- 14. Appropriation: Refinement and Enhancement of Modeling to Demonstrate Attainment with the Clean Air Act.** Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$1,500,000 in fiscal year 2008 for research to obtain the data and information to refine and enhance any model used to demonstrate attainment with the National Ambient Air Quality Standard (NAAQS) for ozone and other pollutants under the Federal Clean Air Act during the biennium beginning on September 1, 2007. These funds may also be used to collect data and for modeling to demonstrate attainment with the National Ambient Air Quality Standard for Ozone and other pollutants. The Commission on Environmental Quality may contract as necessary to carry out these activities.
- 15. Reallocation of Revenue and Balances for Certain Accounts.** Pursuant to Water Code, § 5.707, and notwithstanding provisions relating to Appropriation Transfers within the General Appropriations Act, the Texas Commission on Environmental Quality is hereby authorized to reallocate not more than 7 percent of the All Funds amount identified in the Method of Finance above from the following accounts (consisting of revenues and balances) to be used for purposes identified in the above strategies.

Used Oil Recycling Account No. 146
Clean Air Account No. 151
Water Resource Management Account No. 153
Watermasters Administration Account No. 158
Occupational Licensing Account No. 468
Waste Management Account No. 549
Hazardous and Solid Waste Remediation Fee Account No. 550
Solid Waste Disposal Account No. 5000
Dry Cleaning Facility Release Account No. 5093
Operating Permit Fee Account No. 5094

The Commission shall notify the Governor and the Legislative Budget Board of any decision to reallocate funds between accounts prior to any such reallocations.

- 16. Appropriation: Low-income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP).** Included in the amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$45,000,000 in each fiscal year of the 2008-09 biennium in estimated fee revenues from vehicle inspection and maintenance fees generated pursuant to Health and Safety Code, §§ 382.202 and 382.302, to fund the Low-income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP). Of the amounts, not more than \$210,000 in each fiscal year shall be used by the Texas Commission on Environmental Quality (TCEQ) for costs associated with administering the LIRAP as authorized in Health and Safety Code, § 382.202, and all remaining funds shall be used as LIRAP grants to local governments.

Also included in the amounts appropriated above in Strategy A.1.1, Air Quality Assessment and Planning, is \$5,000,000 in each fiscal year of the 2008-09 biennium in unexpended balances in the Clean Air No. 151 to be used only for purposes authorized in Chapter 382 of the Health and Safety Code for county-implemented local initiatives projects to reduce air emissions, including but not limited to the following: the expansion of AirCheck Texas Repair and Replacement Assistance Program; development and implementation of remote emissions-sensing systems, the Texas Commission on Environmental Quality's (TCEQ) Smoking Vehicle program, and the enhancement of transportation system improvements; and coordination with local law enforcement to reduce counterfeit inspection stickers.

In addition to the amounts appropriated above, there is hereby appropriated to the TCEQ for the biennium beginning on September 1, 2007 any additional revenues from vehicle inspection and maintenance fees generated from additional counties participating in the LIRAP beginning on or after September 1, 2007. Such funds shall be used to provide grants to local governments and to cover administrative costs of the TCEQ in administering the LIRAP.

COMMISSION ON ENVIRONMENTAL QUALITY
(Continued)

17. **Waste Tires.** Out of amounts appropriated above, the Texas Commission on Environmental Quality (TCEQ) shall enforce statutory requirements relating to waste, scrap, or used tires. It is the intent of the Legislature that all reasonable steps be taken to minimize the illegal storage, transport, or disposal of waste or scrap tires. The TCEQ shall audit or otherwise monitor businesses that sell, transport, or store such tires and identify illegal or improper activities as well as study methods for achieving a greater level of compliance for tire disposal within the State of Texas. The TCEQ also shall seek opportunities for coordination with other agencies, such as the Comptroller of Public Accounts, through interagency agreements or contracts. Cooperating agencies shall use routine contracts with taxpayers during audits or other activity to obtain copies of tire manifests or other information relating to tire transport or storage in accordance with Health and Safety Code, § 361.112. Such agreements shall provide that the cooperating agency transmit such records to the Commission for review and analysis and should be designed to have minimal costs for the cooperating agency. The TCEQ shall submit a report not later than December 1, 2008, to the Legislative Budget Board and the Governor detailing their efforts and findings in accordance with this provision.

18. **Statewide Implementation Plan Credit.** The Texas Commission on Environmental Quality (TCEQ) shall evaluate all Congestion Mitigation Air Quality (CMAQ) expenditures by the Texas Department of Transportation that result in quantifiable improvements to air quality in areas considered to be nonattainment for federal air quality standards to determine whether such expenditures could result in nitrogen oxide (NOx) and volatile organic compound (VOC) emissions reductions that may be used as credit in the Statewide Implementation Plan (SIP) submitted to the Environmental Protection Agency (EPA).

At least annually, the TCEQ shall notify the Texas Emissions Reductions Plan (TERP) Advisory Board of its findings regarding potential additional SIP credit. In addition, the TCEQ may include such items in any amendments to the SIP submitted to the EPA.

19. **Appropriations Limited to Revenue Collections: Automobile Emission Inspections.** Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is \$2,062,582 in fiscal year 2008 and \$2,082,459 in fiscal year 2009 for the operation of the vehicle emissions inspection and maintenance program pursuant to § 382.202, Health and Safety Code. These funds are for the purpose of developing, administering, evaluating, and maintaining the vehicle emissions inspection and maintenance program, including federally required reporting measures to demonstrate compliance with applicable federal and state laws.

In addition, if additional counties enter the vehicle emissions inspection and maintenance program during fiscal years 2008-09, 20 percent of revenues generated from the vehicle emissions and inspections fee in the additional counties in each fiscal year are hereby appropriated to the agency for the same purposes.

It is the intent of the Legislature that 20 percent of the fees authorized and generated by the operation of the vehicle emissions inspection and maintenance program cover, at a minimum, the costs of the appropriations made above, as well as the "Other direct and indirect costs" associated with the program, appropriated elsewhere in this Act. "Other direct and indirect costs" for the vehicle emissions inspection and maintenance program are estimated to be \$168,072 for fiscal year 2008 and \$169,609 for fiscal year 2009. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

20. **Bosque River Water Quality Monitoring.** Out of funds appropriated above in Strategy A.1.2, Water Assessment and Planning, the Texas Commission on Environmental Quality shall conduct water quality monitoring of the Bosque River.
21. **Appropriation: Administration Costs for the Texas River Compact Commission.** Out of the amounts appropriated above, and in addition to amounts appropriated above in Goal E, River Compact Commissions, the Texas Commission on Environmental Quality (TCEQ) shall allocate at least \$43,750 for fiscal year 2008 and \$49,750 for fiscal year 2009 to provide for operating costs for the Texas River Compact Commissions. In addition, out of amounts appropriated above, \$10,700 each fiscal year shall be used for support and administrative services for the commissions.

COMMISSION ON ENVIRONMENTAL QUALITY
(Continued)

22. **Appropriation: Perpetual Care Account.** In the event of an incident involving the release of radioactive material at a disposal, processing, or storage facility licensed by the Texas Commission on Environmental Quality (TCEQ), the TCEQ is hereby appropriated any revenues from the TCEQ licensee, including the proceeds of securities and interest earned, deposited to the credit of the Perpetual Care Account pursuant to Health and Safety Code, § 401.305 (b) and § 401.301 (d) during the biennium beginning September 1, 2007 (estimated to be \$0). The funds shall be used in Strategy A.3.1, Low-Level Radioactive Waste Management, to mitigate radioactive pollution resulting from activities of a TCEQ licensee as provided in Health and Safety Code, § 401.305 (c)-(d), and pursuant to a memorandum of understanding with the Department of State Health Services relating to the regulations for the control of radiation.
23. **Environmental Health Institute.** Out of amounts appropriated above, the Texas Commission on Environmental Quality (TCEQ) shall use up to \$500,000 out of the Hazardous and Solid Waste Remediation Fee Account No. 550 during the biennium beginning on September 1, 2007 for the support of the Texas Environmental Health Institute (TEHI) established in conjunction with the Department of State Health Services in Health and Safety Code, Chapter 427.

Any penalty amounts generated during the biennium beginning on September 1, 2007 from the TCEQ's administrative or civil enforcement actions that are invested in a Supplemental Environmental Project conducted by the TEHI or by any other organization in association with the TEHI, shall be considered an expenditure of the TCEQ for the purpose of supporting the TEHI.

24. **Unexpended Balance Authority within the Biennium.** Any unexpended balances on August 31, 2008 in the appropriations made above to the Commission on Environmental Quality are hereby appropriated for the same purposes for the fiscal year beginning on September 1, 2008.
25. **Nuisance Surveys for the Economically Distressed Areas Program.** Out of amounts appropriated above out of the General Revenue Fund in Strategy A.1.2, Water Resource Assessment and Planning, the Texas Commission on Environmental Quality shall reimburse the Texas Department of State Health Services for costs incurred by the Department in conducting nuisance surveys for applicants for financial assistance through the Economically Distressed Areas program administered by the Water Development Board. The Commission shall reimburse such costs through Interagency Contracts with the Department of State Health Services in an amount not to exceed a total of \$250,000 for the biennium beginning on September 1, 2007.
26. **Appropriation in Excess of the Biennial Revenue Estimate: Low-Level Radioactive Waste Disposal.** Included in amounts appropriated above in Strategy A.3.1, Low-Level Radioactive Waste Management is \$1,036,319 in each fiscal year of the 2008-09 biennium out of the Low Level Waste Account No. 88 for costs incurred in the review and evaluation of applications received for a license to operate a low-level radioactive waste disposal site.

Also included in amounts appropriated above in Strategy A.1.3, Low-Level Radioactive Waste Management, in fiscal year 2008 is an amount not to exceed \$750,000 in new fee revenues to the Low-Level Waste Management Account No. 88. This appropriation shall be contingent upon and limited to fee revenues deposited to the credit of Object Code 3589 in the Low Level Waste Account No. 88 in excess of the Comptroller's Biennial Revenue Estimate for 2008-09. The funds shall be used to recover costs in reviewing and evaluating low-level radioactive waste disposal applications pursuant to Health and Safety Code, Chapter 401, during the 2008-09 biennium.

In the event that the fees deposited to the credit of Revenue Object Code 3589 in the Low-Level Waste Account No. 88 are less than \$750,000 during the 2008-09 biennium, the Comptroller shall reduce the appropriation authority provided to be within the amount of revenue expected to be available. The Texas Commission on Environmental Quality, upon completion of necessary actions to assess additional fees, shall furnish copies of minutes and other information supporting the estimated revenues to be generated for the 2008-09 biennium from the new fees to the Comptroller of Public Accounts.

COMMISSION ON ENVIRONMENTAL QUALITY
(Continued)

27. **On-Site Wastewater Treatment Research Council Fee.** Included in amounts appropriated above in Strategy A.1.2, Water Assessment and Planning, is an amount not to exceed \$330,000 in each fiscal year of the biennium from fees collected and deposited to the General Revenue Fund pursuant to Health and Safety Code, Chapter 367, for costs relating to the On-Site Wastewater Treatment Research Council.
28. **Texas Emissions Reduction Plan (TERP): Grants and Administration.** Included in amounts appropriated above in Strategy A.1.1, Air Quality Assessment and Planning, is \$166,921,594 in fiscal year 2008 and \$170,921,594 in fiscal year 2009 out of the Texas Emissions Reduction Plan Account No. 5071. The funds shall be used as follows: \$146,806,644 in fiscal year 2008 and \$150,337,599 in fiscal year 2009 shall be used as incentive payments for the Diesel Emissions Reduction Programs established in Health and Safety Code, Chapter 386, Subchapter C, of which \$3,750,000 in each fiscal year of the 2008-09 biennium shall be used to implement the Clean School Bus Initiative established in Health and Safety Code, Chapter 390, pursuant to Health and Safety Code § 386.252 (c); \$17,880,033 in fiscal year 2008 and \$18,310,078 in fiscal year 2009 shall be used for grant funding for the New Technology Research Development Program established in Health and Safety Code, Chapter 387 according to provisions in Health and Safety Code § 386.252; and not more than \$2,234,917 in fiscal year 2008 and not more than \$2,273,917 in fiscal year 2009 shall be used to administer the Diesel Emissions Reduction Program and not more than \$250,000 each fiscal year shall be used to administer the New Technology Research Development Program.
29. **Reimbursement of Advisory Committees.** Pursuant to Government Code, § 2110.004, reimbursement of expenses for advisory committee members out of funds appropriated above is limited to the following advisory committees:
- Irrigators Advisory Council
Small Business Compliance Advisory Panel
Municipal Solid Waste Management and Resource Recovery Advisory Council
Pollution Prevention Advisory Committee
Dry Cleaners Advisory Committee
30. **Appropriation: Contracting for Debt Collection.** Included in amounts appropriated above, there is hereby appropriated to the Texas Commission on Environmental Quality (TCEQ) for the biennium beginning on September 1, 2007, all proceeds from overdue and delinquent penalties and fees collected by a contractor working on behalf of the TCEQ to collect such funds. This appropriation shall be limited to the amount necessary to pay the contractor collecting such fees for its services and shall not exceed 18 percent of fine and fee proceeds collected by the contractor (estimated to be \$293,388 for the 2008-09 biennium). All other amounts collected shall be deposited to the General Revenue Fund or to a General Revenue-Dedicated Account, based on the applicable statutory provisions.
31. **Authorization: Water and Air Program Fee Rates.** To provide for the recovery of costs of processing certain water and air applications, the following fee rates are established pursuant to Government Code, Chapter 316, Subchapter E, to be effective during the biennium beginning on September 1, 2007.
- The maximum rate for the fees authorized in Water Code, §§ 5.701 (b-c), shall be \$2,000.
- The maximum rate for fees authorized in Health and Safety Code, § 382.062, shall be \$80,000.
32. **Appropriation: North Bosque and Leon Watersheds Compost Project.** Included in amounts appropriated above in Strategy A.1.2, Water Assessment and Planning, is \$98,853 in General Revenue in fiscal year 2008 to be used during the 2008-09 biennium for the development and implementation of a manure compost project in the North Bosque and Leon River watersheds.
33. **Contingency Appropriation: Revenue from Increased Fee Rates at Watermaster Offices.** In addition to amounts appropriated above in Strategy A.2.2, Water Resource Permitting, there is hereby appropriated to the Texas Commission on Environmental Quality (TCEQ) fee revenues collected and deposited to the credit of the Watermaster Administration Account No.

COMMISSION ON ENVIRONMENTAL QUALITY
(Continued)

158 from additional fees generated pursuant to Water Code, § 11.329 due to the implementation of increased fee rates at the watermaster offices and in excess of the Comptroller's Biennial Revenue Estimate (estimated to be \$0). These funds shall be used for operating costs of the watermaster offices.

This appropriation is contingent upon the TCEQ and the watermaster offices assessing fees sufficient to generate, during the 2008-09 biennium, revenue to cover the appropriations out of the Watermaster Administration Account No. 158. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Comptroller of Public Accounts shall reduce the appropriation authority provided above to be within the amount of revenue expected to be available. The TCEQ and the watermaster offices, upon completion of necessary actions to assess or increase additional fees, shall furnish copies of minutes and other information supporting the estimated revenues to be generated for the 2008-09 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues in excess of those estimated in the Biennial Revenue Estimate for 2008-09, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purpose.

- 34. Contingency Appropriation: Edwards Aquifer Development Fee.** Included in amounts appropriated above in Strategy A.2.2, Water Resource Permitting, and contingent on passage of House Bill 3098, or similar legislation by the Eightieth Legislature, Regular Session, increasing the Edwards Aquifer Development Fee deposited to the credit of the Water Resource Management Account No. 153, is \$280,232 in fiscal year 2008 and \$248,232 in fiscal year 2009 in new fee revenues to the Water Resource Management Account No. 153 resulting from the fee increase for compliance investigations to ensure that best management practices are being constructed to design specifications. These appropriations are contingent upon the Commission on Environmental Quality assessing fees sufficient to generate, during the 2008-09 biennium, revenue to cover, at a minimum, these appropriations, as well as "Other direct and indirect costs" for the program, appropriated elsewhere in this Act. "Other direct and indirect costs" are estimated to be \$56,156 in fiscal year 2008 and \$56,389 in fiscal year 2009. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.
- 35. Brush Control Program Study.** Out of funds appropriated above, the Commission on Environmental Quality shall submit a report to the Legislative Budget Board and the Governor no later than September 1, 2008 providing the following information on brush control activities being conducted by the Soil and Water Conservation Board: evaluation of the current monitoring programs at the treated sites; identification of proper monitoring approaches where upgrades are needed; and estimation of water enhancement in areas of the state that are characterized by salt cedar, juniper, and mesquite.

GENERAL LAND OFFICE AND VETERANS' LAND BOARD

	For the Years Ending	
	August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	\$ 13,475,462	\$ 13,475,462
<u>General Revenue Fund - Dedicated</u>		
Coastal Protection Account No. 027	11,007,391	11,144,022
Coastal Public Lands Management Fee Account No. 450	194,409	194,410
Subtotal, General Revenue Fund - Dedicated	<u>\$ 11,201,800</u>	<u>\$ 11,338,432</u>
Federal Funds	25,688,494	29,639,738
<u>Other Funds</u>		
Permanent School Fund No. 044	11,026,681	11,026,682
Texas Veterans Homes Administration Fund No. 374	1,834,503	1,834,503

GENERAL LAND OFFICE AND VETERANS' LAND BOARD
(Continued)

Veterans Land Program Administration Fund No. 522	15,069,087	15,069,086
Appropriated Receipts	6,090,190	6,134,020
Interagency Contracts	54,581	54,581

Subtotal, Other Funds	\$ 34,075,042	\$ 34,118,872
Total, Method of Financing	\$ 84,440,798	\$ 88,572,504

This bill pattern represents an estimated 6.7% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE):	603.6	603.6
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Schedule of Exempt Positions: Land Commissioner, Group 6	\$137,500	\$137,500
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Items of Appropriation:

A. Goal: ENHANCE STATE ASSETS

Enhance State Assets and Revenues by Managing State-owned Lands.

A.1.1. Strategy: ENERGY LEASE MANAGEMENT & REV AUDIT	\$ 2,672,936	\$ 2,769,806
Assess State Lands' Revenue Potential & Manage Energy Leases/Revenues.		
A.1.2. Strategy: ENERGY MARKETING	\$ 1,029,437	\$ 1,003,437
A.1.3. Strategy: DEFENSE AND PROSECUTION	\$ 2,698,021	\$ 2,233,153
Royalty and Mineral Lease Defense and Prosecution.		
A.1.4. Strategy: UPLANDS LEASING	\$ 540,704	\$ 540,704
Uplands Leasing and Inspection.		
A.1.5. Strategy: COASTAL LEASING	\$ 2,311,167	\$ 2,337,834
Coastal Leasing and Inspection.		
A.2.1. Strategy: ASSET MANAGEMENT	\$ 4,929,654	\$ 4,811,804
PSF & State Agency Real Property Evaluation/Acquisition/Disposition.		
A.2.2. Strategy: SURVEYING AND APPRAISAL	<u>\$ 893,174</u>	<u>\$ 922,187</u>
PSF & State Agency Surveying and Appraisal.		

Total, Goal A: ENHANCE STATE ASSETS	\$ 15,075,093	\$ 14,618,925
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B. Goal: PROTECT THE COASTAL ENVIRONMENT

Protect the Environment, Promote Wise Resource Use, and Create Jobs.

B.1.1. Strategy: COASTAL MANAGEMENT	\$ 19,869,976	\$ 21,443,358
B.1.2. Strategy: COASTAL EROSION CONTROL GRANTS	\$ 15,826,130	\$ 18,465,315
B.2.1. Strategy: OIL SPILL RESPONSE	\$ 6,612,940	\$ 6,633,688
B.2.2. Strategy: OIL SPILL PREVENTION	<u>\$ 4,050,069</u>	<u>\$ 4,040,629</u>

Total, Goal B: PROTECT THE COASTAL ENVIRONMENT	\$ 46,359,115	\$ 50,582,990
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C. Goal: VETERANS' LAND BOARD (VLB)

Provide Benefit Programs to Texas Veterans.

C.1.1. Strategy: VETERANS' LOAN PROGRAMS	\$ 12,087,408	\$ 12,054,734
C.1.2. Strategy: VETERANS' HOMES	\$ 2,421,534	\$ 2,522,799
State Veterans' Homes.		
C.1.3. Strategy: VETERANS' CEMETERIES	<u>\$ 8,497,648</u>	<u>\$ 8,793,056</u>
State Veterans' Cemeteries.		

Total, Goal C: VETERANS' LAND BOARD (VLB)	\$ 23,006,590	\$ 23,370,589
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Grand Total, GENERAL LAND OFFICE AND VETERANS' LAND BOARD

	<u>\$ 84,440,798</u>	<u>\$ 88,572,504</u>
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Object-of-Expense Informational Listing:

Salaries and Wages	\$ 31,370,156	\$ 31,408,853
Other Personnel Costs	869,749	860,309
Professional Fees and Services	8,166,652	7,598,331
Fuels and Lubricants	144,999	144,999
Consumable Supplies	277,958	277,097
Utilities	565,272	565,272
Travel	1,117,209	1,089,727
Rent - Building	370,333	369,333

GENERAL LAND OFFICE AND VETERANS' LAND BOARD
(Continued)

Rent - Machine and Other	182,385	180,385
Other Operating Expense	8,943,778	8,717,518
Grants	24,382,555	29,917,007
Capital Expenditures	8,049,752	7,443,673

Total, Object-of-Expense Informational Listing	\$ 84,440,798	\$ 88,572,504
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Estimated Allocations for Employee Benefits and Debt
Service Appropriations Made Elsewhere in this Act:

Employee Benefits

Retirement	\$ 2,077,656	\$ 2,108,821
Group Insurance	3,955,385	4,002,325
Social Security	2,512,774	2,550,466
Benefits Replacement	261,422	248,351

Subtotal, Employee Benefits	\$ 8,807,237	\$ 8,909,963
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Debt Service

Lease Payments	\$ 173,320	\$ 176,489
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Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	\$ 8,980,557	\$ 9,086,452
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1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the General Land Office and Veterans' Land Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the General Land Office and Veterans' Land Board. In order to achieve the objectives and service standards established by this Act, the General Land Office and Veterans' Land Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ENHANCE STATE ASSETS		
Outcome (Results/Impact):		
Percent of Permanent School Fund Uplands Acreage Leased	85%	85%
Average Annual Rate of Return on Real Property		
Investments Made by the GLO on Behalf of the PSF	8.5%	8.5%
A.1.1. Strategy: ENERGY LEASE MANAGEMENT & REV AUDIT		
Output (Volume):		
Amount of Revenue Detected from Audits	8,000,000	8,000,000
A.1.2. Strategy: ENERGY MARKETING		
Output (Volume):		
Average Monthly Volume of In-kind Gas Sold in MMBtu	2,512,394	2,587,766
Average Monthly Volume of In-kind Oil Sold in Barrels	55,586	58,365
A.1.4. Strategy: UPLANDS LEASING		
Output (Volume):		
Annual Revenue from Uplands Surface Leases	9,600,000	9,600,000
A.1.5. Strategy: COASTAL LEASING		
Output (Volume):		
Annual Revenue from Coastal Leases	2,700,000	2,700,000
A.2.1. Strategy: ASSET MANAGEMENT		
Output (Volume):		
Annual Value of Permanent School Fund Real Estate Transactions	468,000,000	298,000,000
B. Goal: PROTECT THE COASTAL ENVIRONMENT		
Outcome (Results/Impact):		
Percent of Eroding Shorelines Maintained, Protected or Restored for Gulf Beaches and Other Shorelines	17.5%	17.5%
B.1.1. Strategy: COASTAL MANAGEMENT		
Output (Volume):		
Number of Coastal Management Program Grants Awarded	65	65
B.2.1. Strategy: OIL SPILL RESPONSE		
Output (Volume):		
Number of Oil Spill Responses	1,043	1,043
B.2.2. Strategy: OIL SPILL PREVENTION		
Output (Volume):		
Number of Prevention Activities - Vessels	1,400	1,400

GENERAL LAND OFFICE AND VETERANS' LAND BOARD
(Continued)

C. Goal: VETERANS' LAND BOARD (VLB)

Outcome (Results/Impact):

Percent of Texas Veterans Reached through Direct Outreach Efforts	17.5%	18%
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Percent of Total Loan Income Used for Administrative Purposes	15.27%	15.5%
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C.1.1. Strategy: VETERANS' LOAN PROGRAMS

Output (Volume):

Dollar Volume of Program Loans Serviced by Veterans' Land Board	324,959,000	296,099,000
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Efficiencies:

Average Number of Loans Serviced Per Loan Servicer	1,902	1,687
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C.1.2. Strategy: VETERANS' HOMES

Output (Volume):

Occupancy Rate at Veterans Homes	80%	79%
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C.1.3. Strategy: VETERANS' CEMETERIES

Output (Volume):

Number of Interments Provided by the State Veterans Cemetery Program	925	1,000
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- 2. Capital Budget.** Funds appropriated above may be expended for capital budget items listed below. The amounts identified for each item may be adjusted or expended on other capital expenditures, subject to the aggregate dollar restrictions on capital budget expenditures provided in the General Provisions of this Act.

	2008	2009
a. Construction of Buildings and Facilities		
(1) Oily Bilge Reclamation Systems	\$ 130,000	\$ 130,000
b. Acquisition of Information Resource Technologies		
(1) Disaster Recovery Project	95,000	95,000
(2) Hardware/Server Rotation Project	390,000	390,000
(3) Aggregated Hardware/Software Project	75,100	71,000
(4) Field Automation and Workflow Project (FAWP)	150,000	150,000
(5) Coastal Resources Imagery Project	910,000	0
(6) Archives & Records Management System	0	200,000
(7) Telecommuting/Mobile User Expansion	0	80,000
(8) Storage Enhancement Project	\$ 628,000	\$ 0
 Total, Acquisition of Information Resource Technologies	\$ 2,248,100	\$ 986,000
c. Transportation Items		
(1) Vehicles - Replacement	169,780	162,000
(2) Boats - Replacement	\$ 54,500	\$ 66,000
 Total, Transportation Items	\$ 224,280	\$ 228,000
d. Acquisition of Capital Equipment and Items		
(1) Equipment - Replacement	\$ 76,604	\$ 230,806
 Total, Capital Budget	\$ 2,678,984	\$ 1,574,806

Method of Financing (Capital Budget):

General Revenue, Dedicated - Coastal Protection Account No. 027	\$ 487,637	\$ 527,506
Federal Funds	1,538,000	160,000

Other Funds

Appropriated Receipts	50,000	50,000
Permanent School Fund No. 044	234,423	285,700
Veterans Land Program Administration Fund No. 522	368,924	551,600

Subtotal, Other Funds	\$ 653,347	\$ 887,300
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Total, Method of Financing	\$ 2,678,984	\$ 1,574,806
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GENERAL LAND OFFICE AND VETERANS' LAND BOARD

(Continued)

3. **Per Diem: Boards, Commissions, and Councils.** Citizen members of the School Land Board, Veterans' Land Board, Boards for Lease, and the Coastal Coordination Council may be paid per diem at a rate not to exceed the amount established elsewhere in this Act and actual expenses from funds appropriated above.
4. **Appropriation Source: Veterans' Land Program.** In addition to amounts appropriated above, there is hereby appropriated from the Veterans' Land Funds, the Veterans' Housing Assistance Funds and the fund for State Veterans' Homes, all amounts necessary to administer the Veterans' Land Program, Veterans' Housing Assistance Program, State Veterans' Homes, and Veterans' Cemeteries, including the amounts incurred in issuing bonds, in compensating a Housing Program Administrator, and in paying contracts for services rendered in administering the land and housing programs, as created and authorized by Article III, § 49b of the Texas Constitution, as amended and Chapter 164 of the Natural Resources Code.
5. **Appropriation of Receipts: Land Sales Expenses.** Pursuant to §§ 31.1571, 31.158 and 32.112, Natural Resources Code, there is hereby appropriated to the General Land Office receipts from land sales sufficient to cover the usual and customary costs of conducting real estate transactions as authorized to be retained by the General Land Office and the School Land Board.
6. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the General Land Office and Veterans' Land Board, is hereby authorized to direct agency resources within the General Land Office and Veterans' Land Board, and transfer such amounts appropriated above between strategy line items.
7. **Appropriation: Defense of Title to Permanent School Fund Real Property and Prosecution of Mineral Lease Claims or Cases.** Included in amounts appropriated above in Strategy A.1.3, Defense and Prosecution, is \$2,450,000 in fiscal year 2008 and \$1,250,000 in fiscal year 2009 in Appropriated Receipts from funds recovered for the Permanent School Fund by the General Land Office from the prosecution of Relinquishment Act, royalty deficiency and other mineral lease claims or cases. Such funds are to be used for the defense of title to Permanent School Fund real property, and the prosecution of Relinquishment Act, royalty deficiency and other mineral lease claims or cases.
8. **Unexpended Balances Within the Biennium.** Any unexpended balances as of August 31, 2008 in the appropriations made herein to the General Land Office and Veterans' Land Board are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2008.
9. **Appropriation: Easement Fees for Use of State-owned Riverbeds.** Included in the amounts appropriated above in Strategy A.1.4, Uplands Leasing, are all unencumbered balances on hand as of August 31, 2007 (not to exceed \$100,000 in Appropriated Receipts), and all amounts collected as easement fees for use of state-owned riverbeds pursuant to § 51.291, Natural Resources Code, or agency rules, during the biennium beginning September 1, 2007, for the removal or improvement of unauthorized structures on Permanent School Fund real property.
10. **Reporting Requirements: Veterans' Land Board Loan Programs.** It is the intent of the Legislature that the General Land Office and Veterans' Land Board submit the following information on the Veterans' Land Board Housing and Land Loan Programs to the Bond Review Board on a semi-annual basis: the current and historical program cash flows for the last five fiscal years; a comparison of the net revenues of the programs to the debt service on the bonds; a comparison of actual to forecasted loan and investment income; and the number and dollar amount of foreclosures as a percentage of all active loans in the programs.
11. **Medicaid Reimbursement Rates for Texas State Veterans Homes.** It is the intent of the Legislature that the Health and Human Services Commission, in consultation with the General Land Office and Veterans' Land Board and pursuant to existing general law authority, should establish Medicaid reimbursement rates for long-term care services provided to Medicaid-eligible veterans who reside in veterans homes established and operated pursuant to Chapter 164, Natural Resources Code, that contract with the Texas Department of Aging and Disability Services to provide nursing facility services. The Health and Human Services Commission shall report on December 1 of each fiscal year in the biennium to the Legislative Budget Board and the Governor on the following: how many, on average, Medicaid-eligible veterans are in the veteran's homes; how many current residents of the homes are determined

GENERAL LAND OFFICE AND VETERANS' LAND BOARD
(Continued)

to be Medicaid-eligible in the prior fiscal year; and how many Medicaid-eligible veterans transfer into the homes and how many enter the homes as their initial nursing facility during the previous fiscal year. In addition, the report shall contain the total amount of Medicaid reimbursements paid in the prior fiscal year for veterans, the average daily rate paid to the facilities, and any other information requested by the Legislative Budget Board and the Governor.

12. **Real Property Investment Reporting.** On or before December 1 of each fiscal year, the General Land Office (GLO) shall submit to the Governor and Legislature a report on the amount of funds invested each year in the acquisition of real property, as well as the amount the GLO expects to invest on real property acquisitions in the following fiscal year. The report shall include the amount of funds expended from the Permanent School Fund No. 44 as well as the amount of funds deposited to the Permanent School Fund No. 44 as a result of real property sales, leases, or other investment income.
13. **Appropriation: Shared Project Funds.** Included in amounts appropriated above out of Appropriated Receipts in Strategy B.1.2, Coastal Erosion Control Grants, are estimated receipts for shared project funds received in accordance with Natural Resources Code, Chapter 33, Subchapter H, § 33.603(c)(1) and § 33.604 (estimated to be \$2,625,000 for fiscal year 2008 and \$3,125,000 for fiscal year 2009).
14. **Appropriation of Receipts: Real Property Sales and Mineral Royalties.** The General Land Office is hereby appropriated all additional receipts from real property sales of the Permanent School Fund (PSF) conducted by the General Land Office and all receipts from the lease of PSF land for mineral development, including royalties from existing and future active mineral leases of PSF lands that are necessary to purchase fee or lesser interests in real property for the use and benefit of the PSF or for the purpose of purchasing easements for access to PSF land as authorized by Natural Resources Code § 11.079. Any of these Appropriated Receipts from the sale of PSF real property or lease of PSF minerals which remain unexpended for more than two years are to be transferred into the PSF as required by Natural Resources Code § 51.401(d).
15. **Appropriation: Receipts and Account Balances for Surface Damages.** Included in the amounts appropriated above out of the Permanent School Fund No. 44 in Strategy A.2.1, Asset Management, is \$500,000 in each fiscal year of the biennium beginning on September 1, 2007 in receipts collected as surface damages pursuant to Natural Resources Code §§ 52.297, 53.115, 31.051, 51.291, 51.295, and 51.296. Such funds are appropriated for the purpose of funding conservation or reclamation projects, making permanent improvements on Permanent School Fund (PSF) real property, and making grants to a lessee of PSF real property for these purposes and for the purpose of purchasing easements for access to PSF land, as authorized by Natural Resources Code § 11.079. In addition to the funds appropriated above, additional revenues received from surface damage receipts during the biennium beginning on September 1, 2007 (estimated to be \$0) are hereby appropriated to the General Land Office for the same purposes.
16. **Marketing, Acquisition, or Disposition of Real Property Purchased by the Permanent School Fund.** Included in the amounts appropriated above in Strategy A.2.1, Asset Management, are funds generated by the leasing of Permanent School Fund (PSF) real property surface interests to pay reasonable and necessary costs incurred by the General Land Office for the marketing, acquisition, or disposition of real property purchased with proceeds of the PSF (estimated to be \$1,600,000 in each fiscal year of the biennium beginning on September 1, 2007).
17. **Appropriation Authority of Coastal Protection Account Funds.** Included in amounts appropriated above in Strategy B.1.2, Coastal Erosion Control Grants, is an estimated \$370,000 in fiscal year 2008 and \$509,000 in fiscal year 2009 in interest earnings out of the Coastal Protection Account No. 27.
18. **State Energy Marketing Program.** It is the intent of the Legislature that the General Land Office use a portion of the revenue from real property sales of the Permanent School Fund (PSF) and all receipts from the lease of PSF real property for mineral development, including royalties from existing and future active mineral leases of PSF land, to manage the State Energy Marketing Program as authorized by Natural Resources Code § 31.401 and Utilities Code §§ 35.102 and 104.2545.

GENERAL LAND OFFICE AND VETERANS' LAND BOARD
(Continued)

- 19. Out of State Travel Limitation.** Notwithstanding limitations contained elsewhere in this Act on the expenditure of appropriated funds for travel outside the state of Texas, expenditures by the General Land Office and Veterans' Land Board on out-of-state travel shall not exceed \$120,000 in any fiscal year.

PARKS AND WILDLIFE DEPARTMENT

	For the Years Ending	
	August 31, 2008	August 31, 2009
Method of Financing:		
<u>General Revenue Fund</u>		
General Revenue Fund	\$ 11,706,741	\$ 9,178,401
Sporting Goods Sales Tax - Transfer To:		
State Parks Account No. 64	15,500,000	15,500,000
Texas Recreation and Parks Account No. 467	15,500,000	15,500,000
Texas Parks and Wildlife Capital and Conservation Account No. 5004	1,000,000	1,000,000
Unclaimed Refunds of Motorboat Fuel Tax	16,121,762	16,121,762
Boat and Boat Motor Sales and Use Tax	5,300,000	5,300,000
Subtotal, General Revenue Fund	<u>\$ 65,128,503</u>	<u>\$ 62,600,163</u>
<u>General Revenue Fund - Dedicated</u>		
Game, Fish and Water Safety Account No. 9	97,761,186	99,797,549
State Parks Account No. 64	42,640,477	42,423,128
Texas Recreation and Parks Account No. 467	16,685,000	0
Non-Game and Endangered Species Conservation Account No. 506	23,315	23,315
Texas Parks and Wildlife Capital and Conservation Account No. 5004	3,429,650	1,007,877
Shrimp License Buy Back Account No. 5023	96,000	96,000
Big Bend National Park Account No. 5030	156,000	52,000
Waterfowl/Wetland Conservation License Plate Account No. 5057	50,000	24,000
Texas Lions Camp License Plate Account No. 5116	28,000	6,000
Marine Mammal Recovery License Plate Account No. 5120	26,000	6,000
Subtotal, General Revenue Fund - Dedicated	<u>\$ 160,895,628</u>	<u>\$ 143,435,869</u>
<u>Federal Funds</u>		
Federal Funds	41,743,914	38,970,216
Subtotal, Federal Funds	<u>\$ 41,743,914</u>	<u>\$ 38,970,216</u>
<u>Other Funds</u>		
Appropriated Receipts	16,409,706	6,238,612
Interagency Contracts	250,000	250,000
Bond Proceeds - General Obligation Bonds	6,672,813	0
Subtotal, Other Funds	<u>\$ 23,332,519</u>	<u>\$ 6,488,612</u>
Total, Method of Financing	<u>\$ 291,100,564</u>	<u>\$ 251,494,860</u>

This bill pattern represents an estimated 99.5% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE): 3,118.1 3,118.1

Schedule of Exempt Positions:
Executive Director, Group 5 \$130,000 \$130,000

Items of Appropriation:
A. Goal: CONSERVE NATURAL RESOURCES
Conserve Fish, Wildlife, and Natural Resources.
 A.1.1. Strategy: WILDLIFE CONSERVATION \$ 22,066,266 \$ 20,218,603
 Wildlife Conservation, Habitat Management, and Research.

PARKS AND WILDLIFE DEPARTMENT
(Continued)

A.1.2. Strategy: TECHNICAL GUIDANCE Technical Guidance to Private Landowners and the General Public.	\$	460,952	\$	460,953
A.1.3. Strategy: HUNTING AND WILDLIFE RECREATION Enhanced Hunting and Wildlife-related Recreational Opportunities.	\$	1,229,536	\$	1,229,536
A.2.1. Strategy: INLAND FISHERIES MANAGEMENT Inland Fisheries Management, Habitat Conservation, and Research.	\$	11,411,540	\$	11,079,921
A.2.2. Strategy: INLAND HATCHERIES OPERATIONS	\$	3,683,108	\$	3,688,108
A.2.3. Strategy: COASTAL FISHERIES MANAGEMENT Coastal Fisheries Management, Habitat Conservation and Research.	\$	11,759,058	\$	11,582,454
A.2.4. Strategy: COASTAL HATCHERIES OPERATIONS	\$	<u>2,329,010</u>	\$	<u>2,329,010</u>
Total, Goal A: CONSERVE NATURAL RESOURCES	\$	<u>52,939,470</u>	\$	<u>50,588,585</u>
B. Goal: ACCESS TO STATE AND LOCAL PARKS				
B.1.1. Strategy: STATE PARK OPERATIONS State Parks, Historic Sites and State Natural Area Operations.	\$	66,118,713	\$	63,685,643
B.1.2. Strategy: PARKS MINOR REPAIR PROGRAM	\$	1,705,972	\$	1,215,037
B.1.3. Strategy: PARKS SUPPORT	\$	6,611,216	\$	6,597,821
B.2.1. Strategy: LOCAL PARK GRANTS Provide Local Park Grants.	\$	33,072,445	\$	16,387,445
B.2.2. Strategy: BOATING ACCESS AND OTHER GRANTS Provide Boating Access, Trails and Other Grants.	\$	<u>6,782,476</u>	\$	<u>6,782,476</u>
Total, Goal B: ACCESS TO STATE AND LOCAL PARKS	\$	<u>114,290,822</u>	\$	<u>94,668,422</u>
C. Goal: INCREASE AWARENESS AND COMPLIANCE				
C.1.1. Strategy: ENFORCEMENT PROGRAMS Wildlife, Fisheries and Water Safety Enforcement.	\$	41,791,550	\$	41,808,851
C.1.2. Strategy: WARDEN TRAINING ACADEMY Game Warden Training Academy.	\$	1,193,166	\$	779,474
C.1.3. Strategy: LAW ENFORCEMENT SUPPORT Provide Law Enforcement Oversight, Management and Support.	\$	1,871,299	\$	1,871,300
C.2.1. Strategy: HUNTER AND BOATER EDUCATION Provide Hunter and Boater Education Programs.	\$	1,226,105	\$	1,238,405
C.2.2. Strategy: TP&W MAGAZINE Texas Parks & Wildlife Magazine.	\$	2,534,854	\$	2,564,855
C.2.3. Strategy: COMMUNICATION PRODUCTS AND SERVICES Provide Communication Products and Services.	\$	2,731,013	\$	2,732,215
C.2.4. Strategy: OUTREACH AND EDUCATION Provide Outreach and Education Programs.	\$	1,221,368	\$	1,221,368
C.3.1. Strategy: LICENSE ISSUANCE Hunting and Fishing License Issuance.	\$	7,454,836	\$	7,454,837
C.3.2. Strategy: BOAT REGISTRATION AND TITLING	\$	<u>1,604,422</u>	\$	<u>1,604,423</u>
Total, Goal C: INCREASE AWARENESS AND COMPLIANCE	\$	<u>61,628,613</u>	\$	<u>61,275,728</u>
D. Goal: MANAGE CAPITAL PROGRAMS				
D.1.1. Strategy: IMPROVEMENTS AND MAJOR REPAIRS Implement Capital Improvements and Major Repairs.	\$	19,876,798	\$	14,459,193
D.1.2. Strategy: LAND ACQUISITION	\$	12,018,980	\$	318,982
D.1.3. Strategy: INFRASTRUCTURE ADMINISTRATION Infrastructure Program Administration.	\$	4,753,651	\$	4,753,652
D.1.4. Strategy: DEBT SERVICE Meet Debt Service Requirements.	\$	<u>7,806,773</u>	\$	<u>7,707,876</u>
Total, Goal D: MANAGE CAPITAL PROGRAMS	\$	<u>44,456,202</u>	\$	<u>27,239,703</u>
E. Goal: INDIRECT ADMINISTRATION				
E.1.1. Strategy: CENTRAL ADMINISTRATION	\$	7,658,298	\$	7,662,664
E.1.2. Strategy: INFORMATION RESOURCES	\$	7,457,078	\$	7,437,079

PARKS AND WILDLIFE DEPARTMENT
(Continued)

E.1.3. Strategy: OTHER SUPPORT SERVICES	<u>\$ 2,670,081</u>	<u>\$ 2,622,679</u>
Total, Goal E: INDIRECT ADMINISTRATION	<u>\$ 17,785,457</u>	<u>\$ 17,722,422</u>
Grand Total, PARKS AND WILDLIFE DEPARTMENT	<u><u>\$ 291,100,564</u></u>	<u><u>\$ 251,494,860</u></u>
Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 122,886,977	\$ 122,625,961
Other Personnel Costs	3,605,138	3,592,678
Professional Fees and Services	6,603,037	6,562,037
Fuels and Lubricants	6,503,678	6,881,404
Consumable Supplies	3,031,823	3,018,684
Utilities	11,735,473	12,150,017
Travel	2,688,299	2,684,198
Rent - Building	1,704,321	1,696,821
Rent - Machine and Other	1,953,896	1,971,296
Debt Service	7,806,773	7,707,876
Other Operating Expense	38,670,842	34,932,187
Grants	40,758,454	22,080,953
Capital Expenditures	<u>43,151,853</u>	<u>25,590,748</u>
Total, Object-of-Expense Informational Listing	<u><u>\$ 291,100,564</u></u>	<u><u>\$ 251,494,860</u></u>
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
<u>Employee Benefits</u>		
Retirement	\$ 7,609,361	\$ 7,723,502
Group Insurance	22,673,985	23,034,318
Social Security	9,146,926	9,284,130
Benefits Replacement	<u>1,177,868</u>	<u>1,118,975</u>
Subtotal, Employee Benefits	<u>\$ 40,608,140</u>	<u>\$ 41,160,925</u>
<u>Debt Service</u>		
TPFA GO Bond Debt Service	\$ 10,646,122	\$ 7,091,689
Lease Payments	<u>136,977</u>	<u>134,676</u>
Subtotal, Debt Service	<u>\$ 10,783,099</u>	<u>\$ 7,226,365</u>
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u><u>\$ 51,391,239</u></u>	<u><u>\$ 48,387,290</u></u>

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Parks and Wildlife Department. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Parks and Wildlife Department. In order to achieve the objectives and service standards established by this Act, the Parks and Wildlife Department shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2008</u>	<u>2009</u>
A. Goal: CONSERVE NATURAL RESOURCES		
Outcome (Results/Impact):		
Percent of Private Land Acreage in Texas Managed to Enhance Wildlife	14.05%	15.25%
Percent of Fish and Wildlife Kills or Pollution Cases Resolved Successfully	77%	77%
A.1.1. Strategy: WILDLIFE CONSERVATION		
Output (Volume):		
Number of Wildlife Population and Harvest Surveys Conducted	888	888
A.1.2. Strategy: TECHNICAL GUIDANCE		
Output (Volume):		
Number of Active Management Agreements with Private Landowners	6,327	6,590
A.2.2. Strategy: INLAND HATCHERIES OPERATIONS		
Output (Volume):		
Number of Fingerlings Stocked - Inland Fisheries (in millions)	14.5	14.5

PARKS AND WILDLIFE DEPARTMENT
(Continued)

A.2.3. Strategy: COASTAL FISHERIES MANAGEMENT		
Output (Volume):		
Number of Commercial Fishing Licenses Bought Back	177	177
A.2.4. Strategy: COASTAL HATCHERIES OPERATIONS		
Output (Volume):		
Number of Fingerlings Stocked - Coastal Fisheries (in millions)	24	24
B. Goal: ACCESS TO STATE AND LOCAL PARKS		
Outcome (Results/Impact):		
Percent of State Parks Maintenance and Minor Repair Needs Met	4.02%	2.7%
B.1.1. Strategy: STATE PARK OPERATIONS		
Output (Volume):		
Number of State Parks in Operation	108	108
B.1.2. Strategy: PARKS MINOR REPAIR PROGRAM		
Output (Volume):		
Number of State Park Minor Repair/Maintenance Needs Met	352	236
B.2.1. Strategy: LOCAL PARK GRANTS		
Output (Volume):		
Number of Grant Assisted Projects Completed	38	30
C. Goal: INCREASE AWARENESS AND COMPLIANCE		
Outcome (Results/Impact):		
Percent of Public Compliance with Agency Rules and Regulations	97	97
C.1.1. Strategy: ENFORCEMENT PROGRAMS		
Output (Volume):		
Miles Patrolled in Vehicles (in millions)	11.5	11.5
Hours Patrolled in Boats	139,700	139,700
C.2.1. Strategy: HUNTER AND BOATER EDUCATION		
Output (Volume):		
Number of Students Trained in Hunter Education	32,000	32,000
Number of Students Trained in Boater Education	11,000	11,000
C.2.4. Strategy: OUTREACH AND EDUCATION		
Output (Volume):		
Number of Outreach and Education Programs and Events Held	717	717
C.3.1. Strategy: LICENSE ISSUANCE		
Output (Volume):		
Number of Combination Licenses Sold	516,000	516,000
D. Goal: MANAGE CAPITAL PROGRAMS		
Outcome (Results/Impact):		
Percent of Scheduled Major Repair/Construction Projects Completed	62%	62%
D.1.1. Strategy: IMPROVEMENTS AND MAJOR REPAIRS		
Output (Volume):		
Number of Major Repair/Construction Projects Completed	30	20
2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.		
	<u>2008</u>	<u>2009</u>
a. Acquisition of Land and Other Real Property		
(1) Land Acquisition	\$ 11,700,000	\$ UB
b. Construction of Buildings and Facilities		
(1) Construction of Buildings and Facilities	19,428,436	14,010,831 & UB
c. Acquisition of Information Resource Technologies		
(1) Mainframe upgrades, microcomputers, and other equipment	2,010,811	1,921,503

PARKS AND WILDLIFE DEPARTMENT
(Continued)

d. Transportation Items		
(1) Purchase of Vehicles	6,429,946	5,507,556
e. Acquisition of Capital Equipment and Items		
(1) Office, field, marine and lab equipment	450,079	455,079
(2) Capital Equipment	2,958,534	2,958,534
Total, Acquisition of Capital Equipment and Items	<u>\$ 3,408,613</u>	<u>\$ 3,413,613</u>
Total, Capital Budget	<u>\$ 42,977,806</u>	<u>\$ 24,853,503</u>

Method of Financing (Capital Budget):

General Revenue Fund	\$ 606,079	\$ 186,079
<u>General Revenue Fund - Dedicated</u>		
Game, Fish and Water Safety Account No. 9	11,572,860	14,041,660
State Parks Account No. 64	7,532,662	6,989,464
Subtotal, General Revenue Fund - Dedicated	<u>\$ 19,105,522</u>	<u>\$ 21,031,124</u>
Federal Funds	2,832,298	46,300
<u>Other Funds</u>		
Appropriated Receipts	13,761,094	3,590,000
Bond Proceeds - General Obligation Bonds	<u>6,672,813</u>	<u>0</u>
Subtotal, Other Funds	<u>\$ 20,433,907</u>	<u>\$ 3,590,000</u>
Total, Method of Financing	<u>\$ 42,977,806</u>	<u>\$ 24,853,503</u>

3. **Appropriation: Escrow Accounts.** Included in the amounts appropriated above in Strategy A.1.1, Wildlife Conservation, Strategy A.2.1, Inland Fisheries Management, Strategy A.2.3, Coastal Fisheries Management, and Strategy B.1.1, State Park Operations are unexpended balances as of August 31, 2007 (not to exceed \$1,194,723 in the Game, Fish, and Water Safety Account No. 9 and not to exceed \$294,000 in the State Parks Account No. 64), consisting of either principal or interest, from trust or escrow accounts set up to benefit the Texas Parks and Wildlife Department. Any unexpended balances and revenue remaining as of August 31, 2008 are appropriated for the same purpose for the fiscal year beginning September 1, 2008.
4. **Authorization: Purchase of Evidence.** From the amounts appropriated above, the Texas Parks and Wildlife Department is hereby authorized to establish a cash fund, for the purchase of evidence and/or information and surveillance deemed necessary by the department for enforcement of laws under the Parks and Wildlife Code.
5. **Authorization: Acceptance of Payment with Goods and Services.** The Texas Parks and Wildlife Department is hereby authorized to accept goods and/or services in lieu of cash for sales of products or rights on the department's public land areas. These goods and services may be on the same public land area as the product or right sold or any other public land area. In order to procure the goods and services in the amounts needed that equal the value of products or rights sold, an escrow bank account may be utilized.
6. **Outreach Programs.** Out of amounts appropriated above in Strategy B.2.2, Boating Access and Other Grants, the department shall continue partnership projects by contracting an amount equal to \$470,000 in each fiscal year of the 2008-09 biennium in partnership programs for underserved populations.
7. **Appropriation: Unexpended Balance for Construction Projects.** Included in amounts appropriated above in strategy D.1.1, Improvements and Major Repairs are unexpended balances from appropriations made for construction, repair, acquisition, and renovation projects and listed in the capital budget riders of House Bill No. 1, Acts of the Seventy-eighth Legislature, Regular Session and Senate Bill No. 1, Acts of the Seventy-ninth Legislature, Regular Session. These unexpended balances are estimated to be \$8,141,453 out of the following funds as of August 31, 2007:

PARKS AND WILDLIFE DEPARTMENT
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General Revenue-Dedicated Accounts

Game, Fish, and Water Safety Account No. 9	\$	0
State Parks Account No. 64	\$	0
Texas Parks and Wildlife Conservation and Capital Account No. 5004	\$	0

Federal Funds	\$	598,128
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Other Funds

Appropriated Receipts	\$	870,512
Bond Proceeds - General Obligation Bonds	\$	6,672,813

Unexpended balances remaining in such appropriation items at August 31, 2007 are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2007. Unexpended balances in General Revenue-related accounts may not be carried forward from fiscal year 2007 to fiscal year 2008 without 45 days prior notification to the Legislative Budget Board and the Governor. Unexpended balances appropriated under this provision are subject to the provisions of Government Code § 403.071 for the purposes of determining the life of an appropriation. Any appropriation made in this Act to the Texas Parks and Wildlife Department for construction and improvement projects shall include labor and all necessary costs involved in the project. It is provided, however, that the Texas Parks and Wildlife Department shall provide the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts a report by no later than December 1 of each fiscal year showing the progress and costs of all projects funded by appropriations made by the Seventy-eighth and the Seventy-ninth Legislatures.

8. **Construction and Land Owner Incentive Grants.** Any funds appropriated above in Strategies B.2.1, Local Park Grants and B.2.2, Boating Access and Other Grants that are utilized for grants awarded for local park construction projects in excess of \$25,000 and any funds appropriated above in Strategy A.1.2, Technical Guidance to private landowners and the general public that are utilized for landowner incentive grants shall be treated as construction appropriations for the purpose of determining the life of the appropriation under the provisions of § 403.071, Government Code. It is provided, however, that the Texas Parks and Wildlife Department shall provide the Governor and the Legislative Budget Board a status report at the close of each fiscal year showing the progress and costs for any grant for local park construction projects and landowner incentive grants not completed within two years of the date the grant was awarded.
9. **Fund Transfer Authority.** The Texas Parks and Wildlife Department is hereby authorized to transfer funds between any funds/accounts authorized by the Parks and Wildlife Code in order to alleviate cash flow problems during the biennium. All funds transferred must be returned to the original fund/account before the end of the biennium.
10. **Clothing Provision.** It is the intent of the Legislature that no funds may be expended to provide a clothing or cleaning allowance to any non-uniformed personnel. The Texas Parks and Wildlife Department may continue to expend funds for a cleaning allowance not to exceed \$500 per employee per year.
11. **Lease Payments.** Included in amounts appropriated above in Strategy D.1.4, Debt Service are lease payments of \$5,152,798 in fiscal year 2008 and \$5,052,101 in fiscal year 2009 out of the General Revenue Fund which shall be transferred to the Texas Public Finance Authority for debt service payments on revenue bonds or other revenue obligations as authorized by § 13.0045, Parks and Wildlife Code. Also included in the amounts appropriated above in Strategy D.1.4, Debt Service are lease payments of \$2,653,975 in fiscal year 2008 and \$2,655,775 in fiscal year 2009 out of the General Revenue-Dedicated Game, Fish and Water Safety Account No. 9 which shall be transferred to the Texas Public Finance Authority for debt service payments on revenue bonds or other obligations for the freshwater fish hatchery.
12. **Appropriation: State-owned Housing Authorized.** The Texas Parks and Wildlife Department (TPWD) shall recover at least 20 percent of the established fair market rental value of housing from persons residing in state-owned housing first employed before September 1, 2005 and 100 percent of the established fair market rental value of housing from persons residing in state-owned housing employed on or after September 1, 2005. If the TPWD requires an employee to live on-site in state-owned housing as a condition of employment, then the TPWD shall recover at least 20 percent of the established market rental

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value of housing regardless of the date of employment. Additionally, the TPWD will report biennially to the Legislative Budget Board and the Governor, the race, gender, and ethnicity, position title and classification, and salary of employees that reside in state-owned housing.

Included in the amounts appropriated above is rental income collected from employee housing (estimated to be \$21,333 in Appropriated Receipts each fiscal year in Strategy A.1.1, Wildlife Conservation; estimated to be \$21,333 in Appropriated Receipts each fiscal year in Strategy A.2.2, Inland Hatcheries Operations; estimated to be \$21,334 in Appropriated Receipts each fiscal year in Strategy A.2.4, Coastal Hatcheries Operations; and, estimated to be \$215,037 in Appropriated Receipts each fiscal year in Strategy B.1.2, Parks Minor Repair Program.) The recovered funds are appropriated to the TPWD for maintenance or replacement of employee housing.

Notwithstanding any other provision in this Act, the TPWD is hereby authorized to construct two new state-owned residences to provide 24-hour on-site supervision and maintenance for the new freshwater fish hatchery in East Texas at a cost not to exceed \$150,000 per residence.

Additionally, notwithstanding the provisions in Article IX of this Act, the TPWD is authorized to expend amounts in excess of \$25,000 per residence for the biennium as necessary to repair or replace state-owned housing, provided that the agency submits advanced notification to the Legislative Budget Board and the Governor.

- 13. Indoor Recreational Facilities.** Included in the amounts appropriated above in Strategy B.2.1, Local Park Grants, and Strategy B.2.2, Boating Access and Other Grants is \$32,185,000 in fiscal year 2008 and \$15,500,000 in fiscal year 2009 out of the Texas Recreation and Parks Account No. 467 (\$15,500,000 per year out of the Sporting Good Sales Tax transfer to the Account and \$16,685,000 out of unexpended fund balances). From this account, the Texas Parks and Wildlife Department shall use an amount equal to \$7,152,750 of the total amounts allocated for grants in Strategy B.2.1, Local Park Grants and Strategy B.2.2, Boating Access and Other Grants for the 2008-09 biennium to fund local grants for the development of indoor recreation facilities. Any unexpended balances of such appropriations on August 31, 2008 are appropriated for the same purpose for the fiscal year beginning September 1, 2008.
- 14. Appropriation: License Plate Receipts.** Included in amounts appropriated above in Strategies A.1.1, Wildlife Conservation, A.2.1, Inland Fisheries Management, A.2.3, Coastal Fisheries Management, and B.1.1, State Park Operations, are all balances and revenue collected on or after September 1, 2007 (estimated to be \$3,421,775 in the Texas Parks and Wildlife Conservation and Capital Account No. 5004; \$208,000 in Big Bend National Park Account No. 5030; \$74,000 in Waterfowl and Wetland Conservation License Plate Account No. 5057; \$34,000 in Texas Lions Camp License Plate Account No. 5116; \$32,000 in Marine Mammal Recovery License Plate Account No. 5120; and, \$0 in General Revenue associated with the sale of Texas PGA Junior Golf license plates over the biennium) from the sale of license plates, including any new license plates that the Texas Parks and Wildlife Department agrees to administer on behalf of a sponsoring organization, as provided by the Texas Transportation Code §§ 504.606 (Big Bend), 504.627 (Waterfowl and Wetland), 504.629 (Texas PGA Junior Golf), 504.644 (Marine Mammal Recovery), 504.656 (Texas Lions Camp), and 504.801 (other private nonprofit organizations).

License plate balances and receipts in subaccounts of the Texas Parks and Wildlife Conservation and Capital Account No. 5004 are estimated to be \$1,963,514 for Horned Toad specialty plates; \$807,036 for Bluebonnet specialty plates; \$396,111 for Whitetail Deer specialty plates; and \$255,114 for Largemouth Bass specialty plates for a total of \$3,421,775 as noted above.

- 15. Reporting Requirements: Full-Time Equivalent Positions.** The Texas Parks and Wildlife Department shall submit a semi-annual report to the Legislative Budget Board and the Governor which lists the number of authorized, budgeted, and filled positions in Strategy C.1.1, Enforcement Programs and C.1.2, Game Warden Training Academy. The report must include the classification of each position.
- 16. Reporting Requirements: Game Warden Academies.** The Texas Parks and Wildlife Department (TPWD) shall submit an annual plan to ensure the fulfillment of the agency's FTEs for Game Wardens. The TPWD shall submit a report to the Legislative Budget Board and the Governor within 30 days of the completion of a Game Warden Academy which lists the total number of applicants, the number selected to attend the academy, and the number

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who successfully complete the academy. The report shall include the race, ethnicity, gender, prior law enforcement experience, and educational background of all applicants; the applicants selected to attend the academy; the graduates of the academy; and those graduates who accepted positions with the agency.

17. **Appropriation of Certain Concession Receipts.** Concession receipts generated as a result of the efforts of volunteer groups in state parks or other agency facilities are included in amounts appropriated above to Strategy B.1.1, State Park Operations (estimated to be \$0 in Appropriated Receipts for the biennium beginning September 1, 2007), and Strategy A.2.4, Coastal Hatcheries Operations (estimated to be \$100,000 in Appropriated Receipts for the biennium beginning September 1, 2007). These concession receipts shall be credited for the benefit of the specific state park or other agency facility where the funds are generated by volunteer groups. Concession receipts generated as a result of the efforts of department employees or leased concession contracts with third parties are appropriated in the strategies above and are not subject to this rider.
18. **Payments to License Agents.** Included in amounts appropriated above in Strategy C.3.1, License Issuance, are amounts necessary for payments to license agents (estimated to be \$3,657,000 in each fiscal year out of the Game, Fish and Water Safety Account No. 9). Such amounts shall be used for the sole purpose of payments to license agents for the costs of issuing and collecting money associated with the sale of licenses, stamp endorsements, permits, tags and other similar items issued under the Parks and Wildlife Code.
19. **Unexpended Balances: Sale of Game Warden Academy.** In the event that the sale of the department's existing Game Warden Academy is not finalized in the 2006-07 biennium, the Texas Parks and Wildlife Department (TPWD) is authorized to carry forward any unexpended balances of appropriations authorized by the Seventy-ninth Legislature and associated with the sale of the department's existing Game Warden Academy facility at 100 West 50th Street in Austin. Additional proceeds resulting from an increase in appraised value of the Game Warden Academy facility (estimated to be \$500,000) shall be used for the purpose of constructing and equipping a new Texas Game Warden Academy. Notwithstanding any other provision in this Act, the TPWD is hereby authorized to construct two new state-owned residences to provide 24-hour on-site supervision and maintenance for the new Texas Game Warden Academy at a cost not to exceed \$150,000 per residence.
20. **Capital Budget Expenditures from Federal and Other Funding Sources.** The Texas Parks and Wildlife Department (TPWD) is hereby exempted from the capital budget rider provisions contained in Article IX of this Act when gifts, grants, inter-local funds and federal funds are received in excess of the amounts identified in the agency's capital budget rider and such funds are designated by the donor, grantee or federal agency solely for construction and repairs, or purchase of specific capital items.

Additionally, the TPWD is hereby exempted from the capital budget rider provisions when pass through funds to local entities are received in excess of the amounts identified in the agency's capital budget rider and such funds are designated by the donor, grantee or federal agency solely for the acquisition of land. This provision does not exempt the TPWD from capital budget rider provisions for state land acquisition.

Amounts expended from these funding sources shall not count towards the limitation imposed by capital budget provisions elsewhere in this Act. The TPWD shall notify the Legislative Budget Board and the Governor upon receipt of such funds, of the amount received and the items to be purchased.
21. **Headquarters-based Vehicles.** It is the intent of the Legislature that at any given point and time during the 2008-09 biennium, no more than 60 vehicles be assigned to the Texas Parks and Wildlife Department (TPWD) headquarters facility located in Austin, Texas. However, contingent on the TPWD relocating approximately 70 staff from Austin lease space to the headquarters facility, the number of vehicles that may be assigned to the headquarters facility is increased to 90 vehicles.
22. **Appropriation: Land Sale Proceeds.** Included in amounts appropriated above in Strategy D.1.1. Improvements and Major Repairs, and D.1.2. Land Acquisition, are all balances (including balances from the sale of the Game Warden Academy) as of August 31, 2007, and all proceeds collected on or after September 1, 2007 (balances and revenues estimated to be \$12,900,000 in Appropriated Receipts) from the sale of Texas Parks and Wildlife Department

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(TPWD) lands, including the sale of land identified as underutilized and sold by the General Land Office. In accordance with Parks and Wildlife Code § 13.009, the balances and proceeds from the sale of these lands may be used only to improve or acquire other real property dedicated to the same purpose for which the land sold was dedicated. Excluding balances from the sale of the Game Warden Academy (estimated to be \$1,200,000) and Eagle Mountain Lake (estimated to be \$9,600,000), land sale proceeds (estimated to be \$2,100,000) may only be used to acquire adjacent tracts, in-holdings of TPWD lands, or improvements and repairs at existing parks. Balances in proceeds from the sale of the Game Warden Academy are restricted to constructing and equipping the new Game Warden Academy. Any unexpended balances and revenue remaining as of August 31, 2008 are appropriated for the same purpose for the fiscal year beginning September 1, 2008.

- 23. State Park Facilities and Operations Management.** Using the funds appropriated above to the various strategies that are specified in the following provisions, or to any relevant strategy, the Texas Parks and Wildlife Department shall:
- a. Require state park employees to use a standard definition to identify or flag health and safety-related repair needs in its facility management information system; and require the Infrastructure Division to monitor and set priorities to address new health and safety-related facility problems on a weekly basis.
 - b. Redirect \$107,161 each fiscal year and three full-time equivalent employees to Strategy B.1.3, Parks Support, from Strategy E.1.1, Central Administration, so that the Budget Management section can perform critical budget analyses, and so that public safety staff, such as the Law Enforcement Division, can produce reports on the number of accidents, injuries, as well as property damage and crime incidents in each state park.
 - c. From Strategies B.1.1, State Park Operations and B.1.3, State Park Support, develop and implement an annual state park performance review process that evaluates visitor satisfaction, safety, staff performance, occupancy rates, park and concession profitability, and the facility maintenance of each state park and historic site.
 - d. From Strategies B.1.1, State Park Operations and B.1.3, State Park Support, ensure that all park managers conduct a thorough competitive analysis that shows their competitors' fee levels (e.g., private campgrounds such as KOA), visitor capacity, services, and amenities. These analyses should accompany the manager's annual fee proposals, and the entire package should be submitted electronically.
- 24. Collection and Reporting of Major Equipment Usage Statistics.** Out of funds appropriated above, the Texas Parks and Wildlife Department shall collect usage statistics on all major equipment maintained and operated by the Department. Major equipment includes such items as dump trucks, mowers, tractors, graders, or other, non-personal transportation, major construction or grounds maintenance equipment used in the operation of the state parks system. The Department shall collect, at minimum, the actual hours of operation of each piece of equipment and the geographical distribution of the equipment during the fiscal year studied, but shall also include other usage statistics necessary to determine the actual major equipment needs of the state parks system, including explicit justification for idle equipment. The Department shall report the findings of major equipment usage to the Legislative Budget Board and the Governor no later than October 1 of each fiscal year for the proceeding fiscal year, beginning on October 1, 2008.
- 25. Texas State Railroad.** It is the intent of the Legislature that \$10,000,000 in federal Transportation Enhancement Program funds administered by the Texas Department of Transportation be made available for the Texas State Railroad project in fiscal year 2008 contingent upon the project being approved by the Texas Parks and Wildlife Commission for transfer to a consortium of the Cities of Palestine and Rusk and meeting federal grant requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Parks and Wildlife Department (TPWD) in conjunction with the Texas Department of Transportation will review the Texas State Railroad project to determine if the Texas State Railroad project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. Out of funds appropriated above in Strategy B.1.1, State Park Operations is \$2,000,000 in fiscal year 2008 to provide a 20 percent match to the \$10,000,000 in Transportation Enhancement program funds. If the Texas State Railroad

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project is approved, any unexpended balances for the project at the end of fiscal year 2008 are authorized for the same purpose in fiscal year 2009.

26. **Caddo Lake Boat Lane.** Out of the funds appropriated above in Strategy A.2.1, Inland Fisheries Management, \$120,000 in each fiscal year from the General Revenue-Dedicated Game, Fish and Water Safety Account No. 9 shall be used for clearance and maintenance of boat lanes at Caddo Lake. Any unexpended balances in the \$120,000 designated for clearance and maintenance of boat lanes at Caddo Lake as of August 31, 2008 are hereby appropriated for the same purpose in the fiscal year beginning September 1, 2008.
27. **Appropriation of Receipts out of the General Revenue-Dedicated Accounts.** For the biennium beginning September 1, 2007 the Texas Parks and Wildlife Department (TPWD) is hereby appropriated any additional revenues that are certified by the Comptroller's finding of fact and are in excess of the amounts reflected in the Comptroller's Biennial Revenue Estimate for each year of the biennium (estimated to be \$1.0 million for the biennium in the General Revenue-Dedicated Game Fish and Water Safety Account No. 9 and \$2.0 million for the biennium in the General Revenue-Dedicated State Parks Account No. 64 in all Revenue Object Codes except Revenue Object Code 3461 and included in amounts appropriated above.)

Also included in amounts appropriated above in Strategy B.1.1, State Park Operations is an amount contingent on any enhanced collections from state park visitor fees (Revenue Object Code 3461) that are certified by the Comptroller's finding of fact and in excess of the amounts reflected in the Comptroller's Biennial Revenue Estimate for each year of the biennium (not to exceed \$8.0 million each fiscal year in the General Revenue-Dedicated State Parks Account No. 64). TPWD is authorized to transfer collected amounts to Strategy B.1.2, Minor Repair or other strategies as appropriate. Transfers of collected amounts are exempted from the limitation on transferability contained in Article IX, Section 14.01 of this Act.

The department shall submit a plan to the Legislative Budget and the Governor by October 1, 2007 which indicates targeted and actual revenues for each state park for fiscal years 2005, 2006, and 2007, as well as revenue targets for fiscal years 2008 and 2009 for enhanced collections from existing state park user fees. The plan must demonstrate how each state park will contribute to the overall goal of increasing state park system revenue by \$8.0 million annually. The department must notify the Legislative Budget Board and the Governor before it increases state park user fees in the 2008-09 biennium, and the department is not authorized to generate the \$16.0 million in enhanced collections appropriated in this provision from increases in state park user fees, unless the proposed fee increase is a result of a comprehensive fee analysis as recommended in the State Auditor's Office Report No. 07-021 and has been reviewed by the Legislative Budget Board at least 30 days before the Commission takes formal action on the increase.

Any fiscal year 2008 unexpended balances from additional revenue collections in excess of the Biennial Revenue Estimate as of August 31, 2008 are hereby appropriated for the fiscal year beginning September 1, 2008. The TPWD is specifically authorized to expend these funds for purposes authorized by the Parks and Wildlife Code, including capital budget purposes. Such expenditures must comply with limitations established for salary, travel, and capital expenditures, employment levels, and other provisions contained in Article IX of this Act. Each year, the TPWD shall notify the Comptroller of Public Accounts, the Legislative Budget Board, and the Governor of the amount that the department projects will be received in excess of the amount contained in the Comptroller's Biennial Revenue Estimate for each of the department's General Revenue-Dedicated accounts along with sufficient information to reflect how that estimate was determined. If the Comptroller finds the information sufficient to support the projection of additional revenues, a finding of fact to that effect shall be issued to reflect the additional revenue available for each General Revenue-Dedicated account. In the event the Comptroller issues a finding of fact that additional revenue is available, the TPWD shall notify the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts the purposes for which the additional revenue is budgeted.

28. **Fish and Shellfish Consumption Advisories.** Out of the amounts appropriated above in Strategies A.2.1, Inland Fisheries Management and A.2.3, Coastal Fisheries Management the Texas Parks and Wildlife Department shall use \$20,000 each fiscal year from the General Revenue-Dedicated Game, Fish and Water Safety Account No. 9, to post signs at those water bodies for which the Seafood and Aquatic Life Group of the Texas Department of State Health Services has advisories and bans from consumption of contaminated fish or shellfish.

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29. Implementation of State Auditor's Recommendations.

(a) It is the intent of the Legislature that the Texas Parks and Wildlife Department (department) use funds appropriated above to implement the recommendations contained in the State Auditor's *An Audit Report on Financial Processes at the Parks and Wildlife Department* Report No. 07-021.

(b) Additionally, the department shall use funds appropriated above:

1. To prepare a comprehensive implementation plan to carry out the recommendations set out in the State Auditor's Report No. 07-021, and submit the plan to the Legislative Budget Board and the Governor no later than August 31, 2007. The plan shall include the timelines the department stated in its management response to the audit report and address elements including:
 - A. visitation and revenue reporting
 - B. cost estimate processes
 - C. financial controls;
2. To submit quarterly reports and a biennial report to the Legislative Budget Board, the Governor, and the State Auditor that indicate the extent to which each recommendation contained in the aforementioned implementation plan has been implemented, information about significant costs, and any factors that may impede full implementation. Quarterly reports must be submitted 30 days after each quarter ends; the biennial report must be submitted by November 30, 2008;
3. To annually report to the State Auditor's Office on the status of the implementation of the recommendations, pursuant to Section 321.014(f) of the Texas Government Code;
4. To notify the Governor, Legislative Budget Board, and the State Auditor at least six months before closing or transferring any state park.

(c) Out of funds appropriated above, the department shall redirect agency resources to add 16.0 auditor positions in the Internal Audit Division in order to implement the recommendations contained in the State Auditor's *An Audit Report on Financial Processes at the Parks and Wildlife Department* Report No. 07-021. The department shall maintain an internal auditing program in compliance with the provisions of the Texas Internal Auditing Act, which shall incorporate, at a minimum, the assignment of an internal auditor at each regional park office. Each internal auditor assigned pursuant to this provision shall report either directly to the members of the Texas Parks and Wildlife Commission or to the internal auditor appointed pursuant to Government Code § 2102.006.

An internal auditor whose duty station is assigned pursuant to this provision may consider suggestions from a Parks Regional Director in developing proposals for the department's annual audit plan.

(d) Out of funds appropriated above, the Comptroller may not release \$17,294,992 for the 2008-09 biennium (\$8,940,845 in fiscal year 2008 and \$8,354,147 in fiscal year 2009) without prior written notification from the Legislative Budget Board and the Governor that the department has satisfactorily adhered to the implementation plan required above. The department should report its progress in implementing the recommendations to the Legislative Budget Board, the Governor, and the State Auditor no later than July 1, 2007 and July 1, 2008 before appropriations may be released and available by September 1 of each fiscal year in the 2008-09 biennium.

30. Business Plan for Construction or Repair of Facilities. Prior to proceeding with the construction or repair of facilities with funds appropriated by this Act, the Texas Parks and Wildlife Department (TPWD) shall submit a plan to the Legislative Budget Board by September 30, 2007 which includes the following elements:

- a. The results of a study contracted with a private vendor having expertise in public attendance and collections to determine whether repairs or new construction will increase park attendance and generate additional revenue to cover costs;

PARKS AND WILDLIFE DEPARTMENT
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- b. The status of controls to ensure park visitation data is accurate and to enhance collections from park visitors;
- c. Clearly defined criteria and methodologies to identify health and safety repair needs and a list of identified projects meeting the criteria;
- d. Cost estimate for each facility;
- e. Estimated construction timeline for each facility;
- f. The potential savings from using more economical materials for historic structural repairs; and,
- g. An analysis of capital repairs or new construction, which consider, among others factors, the following:
 - (1) whether a public need exists that warrants repairs or new construction;
 - (2) whether repairs or new construction will enhance or maintain the recreational benefits or preserve the historical significance of sites; and,
 - (3) whether an adjacent state park or historic site can serve the demand for recreational opportunities.

The Texas Parks and Wildlife Department shall not proceed with the construction or repair of TPWD facilities with funds appropriated by this Act until the Legislative Budget Board is provided with and approves a plan which specifically addresses the elements in this provision. Further, TPWD shall provide monthly reports to the Legislative Budget Board and the Governor that identify all facility repair and constructions projects for which actual costs have varied from original cost estimates by 10 percent or more at any point during a project's lifespan; and any related changes in project cost estimates.

31. State Park System Study. The Texas Parks and Wildlife Department (TPWD) shall conduct a study that will accomplish the following goals:

- 1. The study will determine the resources and steps necessary to meet a definition of a high quality state park system. The criteria that should be used include:
 - a. condition of facility infrastructure,
 - b. frequency of maintenance schedule,
 - c. amenities available,
 - d. facilities with high demand/utilization,
 - e. facilities with a high return on investment,
 - f. facilities where a higher fee may be charged without impacting utilization, and
 - g. any other criteria that the TPWD determines is appropriate.
- 2. It will identify those parks that meet those criteria; those parks that could meet that criteria with upgrades, the cost of those upgrades and additional revenue generated as a result of upgrades; and finally those parks that should be transferred to a non-state entity or closed. Another factor that the TPWD should consider is the degree to which the recreational value of a park to its visitors justifies its operating costs.
- 3. Based on that analysis, the TPWD shall determine the savings associated with transferring or closing the identified parks; and how the savings could be used to improve the remaining state parks so they meet the criteria for a high quality state park system.

The TPWD shall produce a work plan that indicates how the study will be conducted and report will be produced, with a study process timeline. The work plan should be submitted to the Legislative Budget Board and the Governor no later than January 1, 2008. The work plan and the actual work plan implementation should provide ample opportunity for public input and comments. A progress update that indicates the extent to which the TPWD has implemented its work plan should be submitted to the Governor and the Legislative Budget Board no later than July 1, 2008. The final report that is produced as a result of the study

PARKS AND WILDLIFE DEPARTMENT
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should contain findings and conclusions relevant to the first and second goals stated above. The report should specifically indicate how the TPWD determined the cost estimates and other significant factors that formed the basis for the report's findings and conclusions. It should also identify how the TPWD implemented its work plan, plus the methodology, steps, and processes that were involved in order to arrive at the report's findings and conclusions. The study final report should be submitted to the Legislative Budget Board and the Governor no later than October 1, 2008.

32. **Border Security.** Included in amounts appropriated above out of the General Revenue Fund is \$837,100 and 6.3 additional FTEs in fiscal year 2008 and \$854,400 and 15.0 additional FTEs in fiscal year 2009 in Strategy C.1.1, Enforcement Programs; \$413,693 and 8.7 additional FTEs in fiscal year 2008 in Strategy C.1.2, Warden Training Academy; and \$20,000 in fiscal year 2008 in Strategy E.1.2, Information Resources for the purposes of enhancing border security.
33. **Battleship TEXAS.** Included in amounts appropriated elsewhere in this Act is \$25,000,000 from General Obligation Bonds contingent upon passage and voter approval of Senate Joint Resolution 65 and passage of Senate Bill 2033 and \$4,000,000 from Appropriated Receipts included in amounts appropriated above (\$410,000 in fiscal year 2008 and \$3,590,000 in fiscal year 2009) for repairs to the Battleship TEXAS. The Texas Parks and Wildlife Department (TPWD) is not authorized to expend General Obligation Bonds for project repairs until an initial naval engineering assessment of the condition of the ship has been completed and proposed courses of action and related costs for additional repairs have been reviewed and approved by the Legislative Budget Board. If the project is approved, TPWD shall file a report with the Legislative Budget Board, the Governor, and the Battleship TEXAS Foundation within 30 days following November 30, February 28, May 31, and August 31 of each fiscal year showing the progress and costs of the project, including a repair schedule and the purpose for each expenditure. Any unexpended balances for this purpose remaining as of August 31, 2008 are hereby appropriated for the fiscal year beginning September 1, 2008 for the same purposes.
34. **Local Park Grants.** Out of funds appropriated above in Strategy B.2.1, Local Park Grants, the Texas Department of Parks and Wildlife (TPWD) shall allocate up to \$16,685,000 in matching funds for the following grants:
- a. \$1,000,000 in matching funds for Townwood Park construction;
 - b. \$60,000 in matching funds for renovations of the Kleberg County Youth Soccer Complex;
 - c. \$800,000 in matching funds for park construction in Rio Grande City;
 - d. \$1,125,000 in matching funds for Senator Frank Madla Memorial Park;
 - e. \$600,000 in matching funds for expansion of rehabilitation services at the Gladys Porter Zoo;
 - f. \$200,000 in matching funds for Raymac Park construction;
 - g. \$600,000 in matching funds for Sylvester Turner Park construction;
 - h. \$2,000,000 in matching funds for construction of the McAllen City Park;
 - i. \$500,000 in matching funds for construction at the Sibley Nature Center;
 - j. \$750,000 in matching funds for construction of the Will Looney Legacy Park;
 - k. \$1,000,000 in matching funds for Beal Park construction;
 - l. \$500,000 in matching funds for the City of DeSoto, Old Nance Farm;
 - m. \$200,000 in matching funds for the City of Lancaster;
 - n. \$300,000 in matching funds for Armand Bayou Nature Center Discovery Loop;
 - o. \$400,000 in matching funds for the Rio Grande Valley Nature Center;
 - p. \$1,400,000 in matching funds for nonprofit organizations and municipalities that operate local zoos;
 - q. \$3,750,000 in matching funds for the City of Houston 11th Street Park; and,
 - r. \$1,500,000 in matching funds for the Spring Creek Parkway in Harris and Montgomery Counties.

Grants designated in this provision must meet the procedural requirements under Chapter 24, Parks and Wildlife Code. Any unexpended balances as of August 31, 2008 in funds allocated above for local park grants are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2008.

35. **Proceeds from Sale of Eagle Mountain Lake.** The Texas Parks and Wildlife Department (TPWD) is appropriated the receipts from the sale of Eagle Mountain Lake State Park

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(Continued)

(estimated to be \$9,600,000) for the sole purpose of acquiring other real property dedicated to the same purpose for which the land sold was dedicated. TPWD may not use receipts under this provision for park land acquisition unless the Legislative Budget Board approves of the proposed purchase and also has determined that TPWD has satisfactorily adhered to an implementation plan to carry out recommendations contained in the State Auditor's *An Audit Report on Financial Processes at the Parks and Wildlife Department* Report No. 07-021.

RAILROAD COMMISSION

	For the Years Ending	
	August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	\$ 27,270,713	\$ 27,123,097
<u>General Revenue Fund - Dedicated</u>		
Alternative Fuels Research and Education Account No. 101	1,907,159	1,922,653
Oil Field Cleanup Account No. 145	23,675,986	23,719,713
Subtotal, General Revenue Fund - Dedicated	<u>\$ 25,583,145</u>	<u>\$ 25,642,366</u>
<u>Federal Funds</u>		
Land Reclamation Fund No. 454	161,907	161,907
Federal Funds	4,207,709	4,207,709
Subtotal, Federal Funds	<u>\$ 4,369,616</u>	<u>\$ 4,369,616</u>
<u>Other Funds</u>		
Appropriated Receipts	1,938,910	1,938,910
Interagency Contracts	1,576,222	1,576,222
Subtotal, Other Funds	<u>\$ 3,515,132</u>	<u>\$ 3,515,132</u>
Total, Method of Financing	<u>\$ 60,738,606</u>	<u>\$ 60,650,211</u>
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	\$ 681,896	\$ 682,607
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	723.1	723.1
Schedule of Exempt Positions:		
Railroad Commissioner, Group 6	(3) \$137,500	(3) \$137,500
Items of Appropriation:		
A. Goal: ENERGY RESOURCES		
Support Lignite, Oil, and Gas Resource Development.		
A.1.1. Strategy: ENERGY RESOURCE DEVELOPMENT	\$ 4,374,903	\$ 4,277,638
Promote Energy Resource Development Opportunities.		
A.2.1. Strategy: GAS UTILITY COMPLIANCE	\$ 1,775,720	\$ 1,773,236
Ensure Fair Rates and Compliance to Rate Structures.		
A.2.2. Strategy: PROMOTE LP GAS USAGE	<u>\$ 3,494,203</u>	<u>\$ 3,502,716</u>
Total, Goal A: ENERGY RESOURCES	<u>\$ 9,644,826</u>	<u>\$ 9,553,590</u>
B. Goal: SAFETY PROGRAMS		
Advance Safety Through Training, Monitoring, and Enforcement.		
B.1.1. Strategy: PIPELINE AND LP GAS SAFETY	\$ 4,792,647	\$ 4,659,212
Ensure Pipeline and LPG/CNG/LNG Safety.		

RAILROAD COMMISSION

(Continued)

C. Goal: ENVIRONMENTAL PROTECTION

Minimize Harmful Effects of Fossil Fuel Production.

C.1.1. Strategy: OIL/GAS MONITOR & INSPECTIONS	\$	12,410,324	\$	12,433,452
Oil and Gas Monitoring and Inspections.				
C.1.2. Strategy: SURFACE MINING				
MONITORING/INSPECT	\$	2,465,208	\$	2,439,021
Surface Mining Monitoring and Inspections.				
C.2.1. Strategy: OIL AND GAS REMEDIATION	\$	7,220,966	\$	7,508,871
C.2.2. Strategy: OIL AND GAS WELL PLUGGING	\$	19,083,281	\$	19,360,806
C.2.3. Strategy: SURFACE MINING RECLAMATION	\$	2,160,246	\$	2,154,921
Total, Goal C: ENVIRONMENTAL PROTECTION	\$	43,340,025	\$	43,897,071

D. Goal: PUBLIC ACCESS TO INFO AND SERVICES

Public Access to Information and Services.

D.1.1. Strategy: GIS AND WELL MAPPING	\$	789,113	\$	787,643
Geographic Information Systems and Well Mapping.				
D.1.2. Strategy: PUBLIC INFORMATION AND SERVICES	\$	2,171,995	\$	1,752,695
Total, Goal D: PUBLIC ACCESS TO INFO AND SERVICES	\$	2,961,108	\$	2,540,338

Grand Total, RAILROAD COMMISSION	\$	60,738,606	\$	60,650,211
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Object-of-Expense Informational Listing:

Salaries and Wages	\$	34,195,192	\$	34,200,205
Other Personnel Costs		1,037,400		1,032,420
Professional Fees and Services		1,962,637		1,962,636
Fuels and Lubricants		709,473		721,269
Consumable Supplies		173,146		176,025
Utilities		163,330		165,974
Travel		482,796		492,796
Rent - Building		532,289		540,702
Rent - Machine and Other		428,276		435,049
Other Operating Expense		20,399,183		20,598,147
Capital Expenditures		654,884		324,988

Total, Object-of-Expense Informational Listing	\$	60,738,606	\$	60,650,211
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Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits

Retirement	\$	2,062,297	\$	2,093,232
Group Insurance		5,722,781		5,821,498
Social Security		2,459,460		2,496,352
Benefits Replacement		326,761		310,423

Subtotal, Employee Benefits	\$	10,571,299	\$	10,721,505
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Debt Service

Lease Payments	\$	118,429	\$	128,436
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Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	\$	10,689,728	\$	10,849,941
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1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Railroad Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Railroad Commission. In order to achieve the objectives and service standards established by this Act, the Railroad Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2008	2009
A. Goal: ENERGY RESOURCES		
Outcome (Results/Impact):		
Percent of Oil and Gas Wells That Are Active	73%	73%
A.1.1. Strategy: ENERGY RESOURCE DEVELOPMENT		
Output (Volume):		
Number of Wells Monitored	364,000	364,000

RAILROAD COMMISSION
(Continued)

Efficiencies:		
Average Number of Wells Monitored Per Analyst	30,333	30,333
A.2.1. Strategy: GAS UTILITY COMPLIANCE		
Output (Volume):		
Number of Gas Utility Dockets Filed	80	80
A.2.2. Strategy: PROMOTE LP GAS USAGE		
Output (Volume):		
Number of Rebate and Incentive Applications Handled	3,351	3,351
Efficiencies:		
Administrative Costs as a Percentage of Alternative Fuels Research and Education Account Fee Revenue	18.6%	18.6%
Explanatory:		
Number of Alternative Fuel Vehicles in Texas	16,502	16,502
B. Goal: SAFETY PROGRAMS		
Outcome (Results/Impact):		
Average Number of Pipeline Safety Violations Per Equivalent 100 Miles of Pipe Identified through Inspections	3.5	3.5
B.1.1. Strategy: PIPELINE AND LP GAS SAFETY		
Output (Volume):		
Number of Pipeline Safety Inspections Performed	2,300	2,300
Number of LPG/LNG/CNG Safety Inspections Performed	12,000	12,000
Efficiencies:		
Average Number of Pipeline Field Inspections Per Field Inspector	100	100
C. Goal: ENVIRONMENTAL PROTECTION		
Outcome (Results/Impact):		
Percentage of Oil and Gas Facility Inspections That Identify Environmental Violations	18%	18%
Percentage of Known Orphaned Wells Plugged with the Use of State-Managed Funds	18%	20%
C.1.1. Strategy: OIL/GAS MONITOR & INSPECTIONS		
Output (Volume):		
Number of Oil and Gas Facility Inspections Performed	115,000	115,000
Number of Oil and Gas Environmental Permit Applications and Reports Processed	94,000	94,000
Efficiencies:		
Average Number of Oil and Gas Facility Inspections Performed Per District Office Staff	900	900
Explanatory:		
Number of Oil and Gas Wells and Other Related Facilities Subject to Regulation	371,800	371,800
C.1.2. Strategy: SURFACE MINING MONITORING/INSPECT		
Output (Volume):		
Number of Coal Mining Inspections Performed	485	485
C.2.1. Strategy: OIL AND GAS REMEDIATION		
Output (Volume):		
Number of Abandoned Pollution Sites Investigated, Assessed, or Cleaned Up with the Use of State-Managed Funds	251	235
C.2.2. Strategy: OIL AND GAS WELL PLUGGING		
Output (Volume):		
Number of Orphaned Wells Plugged with the Use of State-Managed Funds	1,850	1,800
Total Aggregate Plugging Depth of Orphaned Wells Plugged with the Use of State Managed Funds (in Linear Feet)	3,241,200	3,153,600
D. Goal: PUBLIC ACCESS TO INFO AND SERVICES		
D.1.2. Strategy: PUBLIC INFORMATION AND SERVICES		
Output (Volume):		
Number of Documents Provided to Customers by Information Services	938,000	938,000
2.	Capital Budget. Funds appropriated above may be expended for capital budget items listed below. The amounts identified for each item may be adjusted or expended on other capital expenditures, subject to the aggregate dollar restrictions on capital budget expenditures provided in the General Provisions of this Act.	

RAILROAD COMMISSION
(Continued)

	<u>2008</u>	<u>2009</u>
a. Acquisition of Information Resource Technologies		
(1) Infrastructure Upgrade	\$ 199,755	\$ UB
(2) Expand Access to Oil & Gas Data	555,220	UB
(3) Online Filing - Completion Forms	440,105	395,255
(4) OFCU BPM System	0	600,070
 Total, Acquisition of Information Resource Technologies	 \$ 1,195,080	 \$ 995,325
b. Transportation Items		
(1) Vehicle Replacements	435,108	324,988
 Total, Transportation Items	 \$ 435,108	 \$ 324,988
 Total, Capital Budget	 \$ 1,630,188	 \$ 1,320,313

Method of Financing (Capital Budget):

General Revenue Fund	\$ 1,305,200	\$ 995,325
<u>General Revenue Fund - Dedicated</u>		
Alternative Fuels Research and Education Account No. 101	24,000	24,000
Oil Field Cleanup Account No. 145	140,749	140,749
Subtotal, General Revenue Fund - Dedicated	\$ 164,749	\$ 164,749
 Appropriated Receipts	 160,239	 160,239
 Total, Method of Financing	 \$ 1,630,188	 \$ 1,320,313

- 3. Unexpended Balance and Estimated Appropriation Authority: Alternative Fuels Research and Education Account.** Included in amounts appropriated above in Strategy A.2.2, Promote LP Gas Usage, in fiscal year 2008 are balances remaining in the Alternative Fuels Research and Education Account No. 101 as of August 31, 2007 (not to exceed \$220,872) to be used during the biennium beginning on September 1, 2007.

In addition to amounts appropriated above, there is hereby appropriated to the Railroad Commission for the biennium beginning on September 1, 2007 any revenues received in the AFRED Account No. 101 in excess of the Comptroller's Biennial Revenue Estimate for the 2008-09 biennium. These funds shall be used in accordance with Natural Resources Code, § 113.243.

- 4. Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Texas Railroad Commission is hereby authorized to direct agency resources and transfer such amounts appropriated above between appropriation line items.
- 5. Appropriation: Unexpended Balances Between Fiscal Years within the Biennium.** Any unexpended balances as of August 31, 2008, in the appropriations made herein to the Railroad Commission are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2008.
- 6. Appropriations Limited to Revenue Collections and Contingent Revenue: LPG/CNG/LNG Fees.** It is the intent of the Legislature that revenues collected pursuant to Natural Resources Code §§ 113.082, 113.090, 113.093, 113.094, 113.131, 116.032, 116.034, and 116.072 and deposited to Revenue Object Codes 3035 and 3246 in the General Revenue Fund, and \$60,000 each fiscal year collected pursuant to Natural Resources Code, § 113.244, and deposited to Revenue Object Code 3034 in the Alternative Fuels Research and Education Account No. 101, cover, at a minimum, the cost of the appropriations made above for the LP Gas Program in Strategy B.1.1, Pipeline and LP Gas Safety (not to exceed \$1,484,473 in fiscal year 2008 and \$1,480,205 in fiscal year 2009).

RAILROAD COMMISSION

(Continued)

This appropriation is contingent upon the Railroad Commission assessing fees sufficient to generate, during the 2008-09 biennium, revenue to cover these appropriations. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

In addition to amounts appropriated above, there is hereby appropriated to the Railroad Commission for the biennium beginning on September 1, 2007 any revenues collected by the Commission and deposited to Revenue Object Codes 3035 and 3246 in the General Revenue Fund in excess of the Comptroller's Biennial Revenue Estimate for the 2008-09 biennium.

7. **Unexpended Balance and Estimated Appropriation Authority: Oil Field Cleanup Account.** Included in amounts appropriated above in fiscal year 2008 is an amount not to exceed \$1,852,650 in Strategy C.2.1, Oil and Gas Remediation, and an amount not to exceed \$7,410,601 in Strategy C.2.2, Oil and Gas Well Plugging, in balances remaining in the Oil Field Cleanup Account No. 145 as of August 31, 2007. The agency shall use these funds to carry out duties authorized by Natural Resources Code, Subchapter D, Chapter 91.

In addition to amounts appropriated above, there is hereby appropriated to the Railroad Commission for the biennium beginning on September 1, 2007, any revenues received in the Oil Field Cleanup Account No. 145 in excess of the Comptroller's Biennial Revenue Estimate for 2008-09.

8. **Fee Appropriation: Liquid Propane (LP) Gas Licensing, Training, and Examination Renewal Fees.** Included in amounts appropriated above in Strategy A.2.2, Promote LP Gas Usage, is \$425,000 in each fiscal year of the biennium beginning September 1, 2007 in Appropriated Receipts (Revenue Codes 3245 and 3722) from fees assessed and collected pursuant to Natural Resources Code, §§ 113.088 and 116.034. These amounts may only be used for the purpose of providing training and examinations to licensees and certificate holders. In addition to amounts appropriated above, any additional amounts collected by the Railroad Commission pursuant to Natural Resources Code, §§ 113.088 and 116.034, on or after September 1, 2007, are hereby appropriated to the Commission for the same purpose.
9. **Appropriation: Abandoned Mine Land Funds.** Included in amounts appropriated above in Strategy C.2.3, Surface Mining Reclamation, is an amount estimated to be \$323,813 in unexpended balances remaining on August 31, 2007 in the Land Reclamation Fund Account No. 454 (Federal Funds). In addition to amounts appropriated above, the Railroad Commission is hereby appropriated any additional federal grant funds from the US Department of Interior for the purposes authorized by Natural Resources Code, Chapter 134, Subchapter G, Abandoned Mine Reclamation.
10. **Appropriation Limited to Revenue Collections: Surface Mining Permits.** Included in the amounts appropriated above is \$1,127,899 in fiscal year 2008 and \$1,125,988 in fiscal year 2009 in Strategy C.1.2, Surface Mining Monitoring and Inspections, from surface mining fee revenues deposited to the General Revenue Fund to cover the cost of permitting and inspecting coal mining facilities.

This appropriation is contingent upon the Railroad Commission assessing fees sufficient to generate, during the 2008-09 biennium, revenue to cover the General Revenue appropriations. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

In addition to amounts appropriated above, there is hereby appropriated for the biennium beginning on September 1, 2007, any revenues received from surface mining fees deposited to the credit of Revenue Object Code No. 3329 in excess of the Comptroller's Biennial Revenue Estimate for 2008-09.

11. **Appropriation for Pipeline Safety Fees.** Included in the amounts appropriated above are revenues from fees assessed on pipelines and pipeline facilities and deposited to Revenue Object Code 3553 in the General Revenue Fund pursuant to Utilities Code, § 121.211 in an amount not to exceed \$1,382,762 in fiscal year 2008 and \$1,378,979 in fiscal year 2009. These funds shall be used to operate programs in Strategy B.1.1, Pipeline and LP Gas Safety,

RAILROAD COMMISSION

(Continued)

and the geographic information systems mapping program in Strategy D.1.1, Geographic Information Systems and Well Mapping.

Also included in amounts appropriated above in Strategy B.1.1, Pipeline and LP Gas Safety, out of the General Revenue Fund is \$421,020 in fiscal year 2008 and \$295,900 in fiscal year 2009 for the purpose of administering an underground pipeline damage prevention program. This additional appropriation is contingent upon the Railroad Commission increasing pipeline safety fees to cover the additional appropriation and shall be limited to amounts deposited to the credit of Revenue Object Code No. 3553 in the General Revenue Fund in excess of the Comptroller's Biennial Revenue Estimate for 2008-09. In addition, the Number of Full-Time Equivalents (FTE) for the Railroad Commission includes 5 FTE associated with the additional appropriation in each fiscal year of the 2008-09 biennium, and the Capital Budget for fiscal year 2008 includes \$110,120 in General Revenue for Vehicle Replacements.

The Railroad Commission is hereby authorized to transfer appropriations made pursuant to this provision to the appropriate strategy items.

These appropriations are contingent upon the Railroad Commission assessing fees sufficient to generate, during the 2008-09 biennium, revenue to cover, at a minimum the General Revenue appropriations for the Pipeline Safety program and the underground pipeline damage prevention program as well as "Other direct and indirect costs" for the programs, appropriated elsewhere in this Act. "Other direct and indirect costs" are estimated to be \$646,813 in fiscal year 2008 and \$647,842 in fiscal year 2009. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

In addition to amounts appropriated above, there is hereby appropriated for the biennium beginning on September 1, 2007, any revenues received from pipeline safety fee revenues deposited to the credit of Revenue Object Code No. 3553 in the General Revenue Fund in excess of the Comptroller's Biennial Revenue Estimate for 2008-09.

12. **Federal Funds and Capital Budget Expenditures.** To comply with the legislative intent to maximize the use of federal funds and to fulfill grant requirements required for the receipt and expenditure of federal funds, the Railroad Commission (RRC) is hereby exempted from the Capital Budget Rider Provisions contained in Article IX of this Act, "Limitations on Expenditures - Capital Budget," when federal funds are received in excess of amounts identified in the agency's Capital Budget Rider and such funds are federally designated solely for the purchase of specific capital items. The RRC shall notify the Legislative Budget Board and the Governor upon receipt of such federal funds, of the amount received and items to be purchased.
13. **Contingency Appropriation: Uranium Mining Regulatory Program.** Included in amounts appropriated above out of the General Revenue Fund in Strategy C.2.3, Surface Mining Reclamation, is \$150,420 in fiscal year 2008 and \$128,400 in fiscal year 2009. This appropriation is contingent upon the Railroad Commission increasing and/or assessing uranium fees at a level sufficient to cover the additional appropriation and shall be limited to amounts deposited to the credit of Revenue Object Code No. 3329 in the General Revenue Fund in excess of the Comptroller's Biennial Revenue Estimate for 2008-09. In addition, the Number of Full Time Equivalents (FTE) for the Railroad Commission includes 2 FTEs associated with this appropriation in each fiscal year of the 2008-09 biennium.

The Railroad Commission is hereby authorized to transfer appropriations made pursuant to this provision to the appropriate strategy items.

These appropriations are contingent upon the Railroad Commission assessing fees sufficient to generate, during the 2008-09 biennium, revenue to cover, at a minimum the General Revenue appropriations for the Uranium Mining Regulatory program as well as "Other direct and indirect costs" for the program, appropriated elsewhere in this Act. "Other direct and indirect costs" are estimated to be \$35,083 in fiscal year 2008 and \$34,765 in fiscal year 2009. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct the Comptroller of

RAILROAD COMMISSION
(Continued)

Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

SOIL AND WATER CONSERVATION BOARD

	For the Years Ending	
	August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	\$ 12,380,015	\$ 11,730,015
Federal Funds	<u>4,022,981</u>	<u>4,022,981</u>
Total, Method of Financing	<u>\$ 16,402,996</u>	<u>\$ 15,752,996</u>
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	67.5	67.5
Schedule of Exempt Positions:		
Executive Director, Group 3	\$90,000	\$90,000
Items of Appropriation:		
A. Goal: SOIL & WATER CONSERVATION ASSIST		
Soil and Water Conservation Assistance.		
A.1.1. Strategy: PROGRAM MANAGEMENT & ASSISTANCE	\$ 3,595,502	\$ 3,595,503
Program Expertise, Financial & Conservation Implementation Assistance.		
B. Goal: NONPOINT SOURCE POLLUTION ABATEMENT		
Administer a Program for Abatement of Agricul Nonpoint Source Pollution.		
B.1.1. Strategy: STATEWIDE MANAGEMENT PLAN	\$ 5,466,950	\$ 5,466,950
Implement a Statewide Management Plan for Controlling NPS Pollution.		
B.1.2. Strategy: POLLUTION ABATEMENT PLAN	<u>\$ 4,361,857</u>	<u>\$ 4,361,857</u>
Pollution Abatement Plans for Problem Agricultural Areas.		
Total, Goal B: NONPOINT SOURCE POLLUTION ABATEMENT	<u>\$ 9,828,807</u>	<u>\$ 9,828,807</u>
C. Goal: WATER SUPPLY ENHANCEMENT		
Protect and Enhance Water Supplies.		
C.1.1. Strategy: WATER CONSERVATION AND ENHANCEMENT	\$ 2,533,927	\$ 1,883,926
Provide Financial/Technical Assistance for Water Quantity Enhancement.		
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	\$ 444,760	\$ 444,760
Grand Total, SOIL AND WATER CONSERVATION BOARD	<u>\$ 16,402,996</u>	<u>\$ 15,752,996</u>
Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 2,917,712	\$ 2,917,712
Other Personnel Costs	81,242	81,242
Professional Fees and Services	162,000	12,000
Fuels and Lubricants	49,500	49,500
Consumable Supplies	36,750	36,750
Utilities	69,500	69,500
Travel	334,500	334,500
Rent - Building	176,500	176,500
Rent - Machine and Other	34,000	34,000
Other Operating Expense	265,483	296,984

SOIL AND WATER CONSERVATION BOARD
(Continued)

Grants	12,230,159	11,730,158
Capital Expenditures	<u>45,650</u>	<u>14,150</u>
Total, Object-of-Expense Informational Listing	<u>\$ 16,402,996</u>	<u>\$ 15,752,996</u>

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

<u>Employee Benefits</u>		
Retirement	\$ 179,609	\$ 182,303
Group Insurance	435,687	440,284
Social Security	215,478	218,710
Benefits Replacement	<u>23,400</u>	<u>22,230</u>
Subtotal, Employee Benefits	<u>\$ 854,174</u>	<u>\$ 863,527</u>
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 854,174</u>	<u>\$ 863,527</u>

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Soil and Water Conservation Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Soil and Water Conservation Board. In order to achieve the objectives and service standards established by this Act, the Soil and Water Conservation Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2008</u>	<u>2009</u>
A. Goal: SOIL & WATER CONSERVATION ASSIST		
Outcome (Results/Impact):		
Percent of District Financial Needs Met by Soil and Water Conservation Board Grants	63.2%	62.6%
A.1.1. Strategy: PROGRAM MANAGEMENT & ASSISTANCE		
Output (Volume):		
Number of Contacts with Districts to Provide Conservation Education Assistance	14,000	14,000
B. Goal: NONPOINT SOURCE POLLUTION ABATEMENT		
Outcome (Results/Impact):		
Percent of Agricultural and Silvicultural Operations with a Potential to Cause Nonpoint Pollution in Problem Areas As Identified and Designated by the TSSWCB	50%	50%
B.1.1. Strategy: STATEWIDE MANAGEMENT PLAN		
Output (Volume):		
Number of Proposals for Federal Grant Funding Evaluated by TSSWCB Staff	20	20
B.1.2. Strategy: POLLUTION ABATEMENT PLAN		
Output (Volume):		
Number of Pollution Abatement Plans Certified	620	620
C. Goal: WATER SUPPLY ENHANCEMENT		
C.1.1. Strategy: WATER CONSERVATION AND ENHANCEMENT		
Output (Volume):		
Number of Acres of Brush Treated	18,776	18,776

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amount shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code, §1232.103

	<u>2008</u>	<u>2009</u>
a. Acquisition of Information Resource Technologies		
(1) Acquisition of Information Resource Technologies	\$ 45,650	\$ 14,150
Total, Capital Budget	<u>\$ 45,650</u>	<u>\$ 14,150</u>

SOIL AND WATER CONSERVATION BOARD

(Continued)

Method of Financing (Capital Budget):

General Revenue Fund	\$ 38,700	\$ 9,950
Federal Funds	<u>6,950</u>	<u>4,200</u>
Total, Method of Financing	<u>\$ 45,650</u>	<u>\$ 14,150</u>

3. **Matching Requirements.** Funds appropriated above for conservation assistance grants for soil and water conservation districts may be expended only when matched by equal amounts from sources other than state funds or earnings from state funds, not to exceed \$7,500 in any district per fiscal year.
4. **Allocation of Grant Funds.** Out of the amounts appropriated above to the Soil and Water Conservation Board, any Conservation Implementation Technical Assistance grant funds to the soil and water conservation districts shall be used for expenses occurring in the fiscal year in which the grant funds are allocated. Grant distributions are made contingent upon districts filing annual Conservation Implementation Technical Assistance expenditure summary reports with the Soil and Water Conservation Board and are subject to a year-end reconciliation.
5. **Appropriation: Water Quality Management Plans for Poultry Operators.** Included in amounts appropriated above in Strategy B.1.2, Pollution Abatement Plan, is \$550,000 out of the General Revenue Fund in fiscal years 2008 and 2009 for additional administrative costs associated with the preparation of water quality management plans for poultry operators.
6. **Brush Control.** Included in amounts appropriated above in Strategy C.1.1, Water Conservation and Enhancement, is \$1,883,927 in fiscal year 2008 and \$1,883,926 in fiscal year 2009 out of the General Revenue Fund for the brush control program. These funds shall be used for supporting existing and implementing new brush control projects designated by the Soil and Water Conservation Board.
7. **Conservation Assistance to the Soil and Water Conservation Districts.** Out of the amounts appropriated above to the Soil and Water Conservation Board, any conservation assistance grants awarded to soil and water conservation districts on a matching basis and requiring districts to raise funds from sources other than the Soil and Water Conservation Board prior to receiving such grants shall remain permanently with the soil and water conservation district granted the funds. The Soil and Water Conservation Board shall not require the soil and water conservation districts to return conservation assistance grant funds at the end of a fiscal year or at the end of a biennium.
8. **Appropriation: Canadian River Shed Brush Control Project.** Included in the amounts appropriated above in Strategy C.1.1, Water Conservation and Enhancement, is \$500,000 out of the General Revenue Fund in fiscal year 2008 for a brush control project in the Canadian River shed.

Any unexpended balances as of August 31, 2008 out of appropriations made herein are appropriated to the Soil and Water Conservation Board for the same purpose for the fiscal year beginning September 1, 2008.

WATER DEVELOPMENT BOARD

	For the Years Ending	
	August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	\$ 19,180,111	\$ 18,786,449
Federal Funds	10,760,694	10,710,789
<u>Other Funds</u>		
Appropriated Receipts	10,590,381	11,357,049
Interagency Contracts	217,024	217,074

WATER DEVELOPMENT BOARD

(Continued)

Agricultural Water Conservation Fund No. 358	1,038,704	1,035,954
Water Assistance Fund No. 480	3,016,733	4,359,180

Subtotal, Other Funds	\$ 14,862,842	\$ 16,969,257
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Total, Method of Financing	\$ 44,803,647	\$ 46,466,495
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This bill pattern represents an estimated 4% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE):	319.3	341.3
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Schedule of Exempt Positions: Executive Administrator, Group 5	\$135,000	\$135,000
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Items of Appropriation:

A. Goal: WATER RESOURCE PLANNING

Plan and Guide Conservation & Management of State's Water Resources.

A.1.1. Strategy: ENVIRONMENTAL IMPACT INFORMATION	\$ 1,233,071	\$ 1,173,571
Collection, Analysis and Reporting of Environmental Impact Information.		
A.1.2. Strategy: WATER RESOURCES DATA	\$ 3,681,482	\$ 3,678,161
A.1.3. Strategy: AUTO INFO COLLECT., MAINT. & DISSEM	\$ 5,407,330	\$ 5,425,927
Automated Information Collection, Maintenance, and Dissemination.		
A.2.1. Strategy: TECHNICAL ASSISTANCE & MODELING	\$ 2,408,626	\$ 2,387,937
Technical Assistance and Modeling.		
A.2.2. Strategy: WATER RESOURCES PLANNING	\$ 10,860,562	\$ 9,893,393
A.3.1. Strategy: WATER CONSERVATION EDUCATION & ASST	\$ 1,358,853	\$ 1,357,353
Water Conservation Education and Assistance.		

Total, Goal A: WATER RESOURCE PLANNING	\$ 24,949,924	\$ 23,916,342
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B. Goal: WATER PROJECT FINANCING

Provide Financing for the Development of Water-related Projects.

B.1.1. Strategy: STATE FINANCIAL ASSISTANCE PROGRAMS	\$ 4,633,106	\$ 4,520,798
B.1.2. Strategy: ECONOMICALLY DISTRESSED AREAS	\$ 1,619,449	\$ 4,247,247
Economically Distressed Areas Program.		
B.1.3. Strategy: FEDERAL FINANCIAL ASSISTANCE	\$ 8,530,759	\$ 8,751,374
Federal Financial Assistance Programs.		

Total, Goal B: WATER PROJECT FINANCING	\$ 14,783,314	\$ 17,519,419
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C. Goal: INDIRECT ADMINISTRATION

C.1.1. Strategy: CENTRAL ADMINISTRATION	\$ 3,120,508	\$ 3,105,783
C.1.2. Strategy: INFORMATION RESOURCES	\$ 1,293,363	\$ 1,293,179
C.1.3. Strategy: OTHER SUPPORT SERVICES	\$ 656,538	\$ 631,772

Total, Goal C: INDIRECT ADMINISTRATION	\$ 5,070,409	\$ 5,030,734
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Grand Total, WATER DEVELOPMENT BOARD	\$ 44,803,647	\$ 46,466,495
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Object-of-Expense Informational Listing:

Salaries and Wages	\$ 18,461,550	\$ 20,045,418
Other Personnel Costs	410,180	432,538
Professional Fees and Services	1,185,281	1,192,532
Fuels and Lubricants	101,000	103,000
Consumable Supplies	376,708	367,988
Utilities	192,603	197,245
Travel	560,279	571,402
Rent - Building	400,088	402,838
Rent - Machine and Other	106,842	104,834
Other Operating Expense	1,810,783	1,712,878

WATER DEVELOPMENT BOARD
(Continued)

Grants	18,259,979	18,415,468
Capital Expenditures	<u>2,938,354</u>	<u>2,920,354</u>
Total, Object-of-Expense Informational Listing	\$ <u>44,803,647</u>	\$ <u>46,466,495</u>

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

<u>Employee Benefits</u>		
Retirement	\$ 997,111	\$ 1,012,068
Group Insurance	2,233,536	2,273,491
Social Security	1,203,939	1,221,998
Benefits Replacement	<u>124,456</u>	<u>118,233</u>
 Subtotal, Employee Benefits	 \$ <u>4,559,042</u>	 \$ <u>4,625,790</u>
<u>Debt Service</u>		
Lease Payments	\$ <u>45,578</u>	\$ <u>50,038</u>
 Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	 \$ <u>4,604,620</u>	 \$ <u>4,675,828</u>

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Water Development Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Water Development Board. In order to achieve the objectives and service standards established by this Act, the Water Development Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2008</u>	<u>2009</u>
A. Goal: WATER RESOURCE PLANNING		
Outcome (Results/Impact):		
Percent of Information Available to Adequately Monitor the State's Water Supplies	69.1%	69.1%
Percent of Key Regional and Statewide Water Planning Activities Completed	84.6%	84.6%
Percent of Eligible Texas Communities and Other Entities Receiving Technical and/or Financial Assistance for Water Planning and Conservation	9.5%	9.5%
A.1.1. Strategy: ENVIRONMENTAL IMPACT INFORMATION		
Output (Volume):		
Number of Bay and Estuary and Instream Study Elements Completed	9	9
A.1.3. Strategy: AUTO INFO COLLECT., MAINT. & DISSEM		
Explanatory:		
Number of Responses to Requests for TNRIS-related Information	350,000	350,000
A.2.1. Strategy: TECHNICAL ASSISTANCE & MODELING		
Output (Volume):		
Number of Responses to Requests for Water Resources Information	2,850	2,850
A.2.2. Strategy: WATER RESOURCES PLANNING		
Output (Volume):		
Number of Active Grants for Regional Water, Wastewater, Flood and Research Studies Funded from the Research and Planning Fund	115	115
A.3.1. Strategy: WATER CONSERVATION EDUCATION & ASST		
Output (Volume):		
Number of Responses to Requests for Water Conservation Information, Data, Technical Assistance and Educational Activities Provided by the Texas Water Development Board Staff	575	575
B. Goal: WATER PROJECT FINANCING		
Outcome (Results/Impact):		
Total Dollars Committed as a Percent of Total Financial Assistance Dollars Available	73%	79.9%

WATER DEVELOPMENT BOARD
(Continued)

B.1.1. Strategy: STATE FINANCIAL ASSISTANCE PROGRAMS

Output (Volume):

Number of Financial Assistance/Loan Commitments		
Provided to State Participation Projects	4	9
Total Dollars Committed to Projects to Implement the State Water Plan	234,910,000	486,720,800
Number of Commitments to State Water Plan Projects	37	64

B.1.2. Strategy: ECONOMICALLY DISTRESSED AREAS

Output (Volume):

Number of Completed Colonia or Economically Distressed Areas (Colonia) Projects	81	86
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B.1.3. Strategy: FEDERAL FINANCIAL ASSISTANCE

Output (Volume):

Number of Financial Assistance/Loan Commitments Offered	102	135
Number of Commitments to Small, Rural, or Disadvantaged Communities	26	26
Total Dollars Financial Assistance Commitments Provided to Communities	679,700,000	958,210,800
Number of Construction Contracts Managed	360	397

Efficiencies:

Administrative Cost Per Active Financial Assistance Agreement	3,231	3,201
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- 2. Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code, § 1232.103.

	<u>2008</u>	<u>2009</u>
a. Acquisition of Information Resource Technologies		
(1) PC and Server Replacement	\$ 488,894	\$ 467,604
(2) Strategic Mapping Pool	2,280,071	2,280,071
(3) Water Information Integration and Dissemination Project	<u>\$ 301,894</u>	<u>\$ 301,894</u>
Total, Acquisition of Information Resource Technologies	<u>\$ 3,070,859</u>	<u>\$ 3,049,569</u>
b. Transportation Items		
(1) Purchase of Vehicles and Boats	\$ 160,000	\$ 148,000
c. Acquisition of Capital Equipment and Items		
(1) Gauging and Other Equipment	\$ 238,283	\$ 242,283
Total, Capital Budget	<u>\$ 3,469,142</u>	<u>\$ 3,439,852</u>

Method of Financing (Capital Budget):

General Revenue Fund	\$ 1,139,564	\$ 1,107,610
Federal Funds	1,421,518	1,430,258
<u>Other Funds</u>		
Appropriated Receipts	867,868	862,320
Interagency Contracts	13,000	12,500
Agricultural Water Conservation Fund No. 358	<u>27,192</u>	<u>27,164</u>
Subtotal, Other Funds	<u>\$ 908,060</u>	<u>\$ 901,984</u>
Total, Method of Financing	<u>\$ 3,469,142</u>	<u>\$ 3,439,852</u>

- 3. Transfer Authorized.** Included in amounts appropriated above in Strategy A.2.1, Technical Assistance and Modeling, and Strategy A.2.2, Water Resources Planning, is \$2,816,861 out of the General Revenue Fund in each fiscal year of the 2008-09 biennium to be transferred to the Water Assistance Fund No. 480, for the sole purpose of making grants to regional planning

WATER DEVELOPMENT BOARD
(Continued)

groups pursuant to Water Code, § 15.4061. The Texas Water Development Board is authorized to transfer these funds from the Water Assistance Fund to other accounts as authorized under Water Code, § 15.011 as needed to support the regional planning process.

Also included in amounts appropriated above in Strategy A.2.2, Water Resources Planning, is \$2,591,721 out of the Water Assistance Fund No. 480 for the 2008-09 biennium. These amounts also shall be used for the purpose of making grants to regional planning groups pursuant to Water Code, § 15.4061.

4. **Safe Drinking Water Act State Revolving Fund.** Included in amounts appropriated above in Strategy B.1.3, Federal Financial Assistance, is up to \$3,837,238 out of the General Revenue Fund in each fiscal year of the biennium for the state match portion of the community/non-community water system and economically disadvantaged community accounts established under the Safe Drinking Water Act State Revolving Fund.
5. **Appropriation: Water Assistance Fund.** Included in the amounts appropriated above are balances in the Water Assistance Fund No. 480 (WAF) as of August 31, 2007 and revenues accruing to the WAF during the 2008-09 biennium, estimated to be \$7,375,913 during the 2008-09 biennium. In addition to the amounts appropriated above, there is hereby appropriated to the Water Development Board all revenues accruing to the Water Assistance Fund No. 480 during the biennium beginning on September 1, 2007, including receipts from the Water Resources Finance Authority. These funds shall be used as authorized in Chapter 15, Water Code.
6. **Appropriation: Water Resources Fund.** In addition to amounts appropriated above, any monies deposited into the Texas Water Resources Fund No. 591, including but not limited to proceeds from revenue bond sales, investment earnings, and loan repayments, are hereby appropriated to the Board for the biennium beginning with the effective date of this Act.
7. **Appropriation: Agricultural Water Conservation Fund.** Included in the amounts appropriated above out of the Agricultural Water Conservation Fund No. 358 is \$1,038,704 in fiscal year 2008 and \$1,035,954 in fiscal year 2009 for use pursuant to § 50-d of Article III of the Texas Constitution and Water Code, Chapter 17, Subchapter J. In addition to amounts appropriated above, there are hereby appropriated such amounts as may be necessary to administer and disburse funds for loans and grants through the agricultural water conservation program and to pay the principal and interest on agricultural water conservation bonds that mature or become due during the biennium beginning with the effective date of this Act, pursuant to § 50-d of Article III of the Texas Constitution and Water Code, Chapter 17, Subchapter J, to be transferred to the Agricultural Water Conservation Interest and Sinking Fund No. 359.
8. **Coordination with the Office of Rural and Community Affairs.** The Texas Water Development Board (TWDB) and the Office of Rural and Community Affairs (ORCA) shall continue to coordinate funds out of the Economically Distressed Areas Program (EDAP) administered by the TWDB and the Colonia Fund administered by ORCA as outlined in a Memorandum of Understanding (MOU) to maximize delivery of the funds and minimize administrative delay in their expenditure. At the beginning of each fiscal year of the 2008-09 biennium, the TWDB shall provide the ORCA a list of EDAP-funded areas whose colonia residents cannot afford the cost of service lines, hook-ups, and plumbing improvements associated with being connected to an EDAP-funded system. No later than September 15, 2008, the TWDB and the ORCA shall submit a joint report to the Legislative Budget Board that describes and analyzes the effectiveness of projects funded as a result of coordinated Colonia Fund/EDAP efforts, including an estimate of the amount each agency has saved by reduced duplication of efforts.
9. **Fee Appropriation: State Revolving Fund Program Operation.** Included in the amounts appropriated above is \$2,335,510 in fiscal year 2008 and \$2,357,461 in fiscal year 2009 in Appropriated Receipts collected for the administration and operation of the State Revolving Fund (SRF) Program or additional state revolving funds created under Water Code, Chapter 15, Subchapter J. In addition to the amounts appropriated above, the Water Development Board is hereby appropriated any additional fee revenue collected for administration and operation of revolving fund programs for the biennium beginning September 1, 2007.

All fee revenue collected pursuant to the SRF program and additional state revolving funds may be deposited into an operating fund held in the Texas Treasury Safekeeping Trust

WATER DEVELOPMENT BOARD

(Continued)

Company. Monies in the SRF or additional SRFs operating fund, including interest, may be used only for the purposes of reimbursing expenditures from appropriations in this Act. Such reimbursement shall include both direct expenditures for salaries and other expenditures and fringe benefits. In addition, the Texas Water Development Board may transfer amounts from the operating fund to the SRF or additional SRFs for uses pursuant to the Water Code, Chapter 15, Subchapter J.

10. **Use of Texas Water Resources Finance Authority (TWRFA) Funds.** Included in the amounts appropriated above in Strategy A.1.3, Automated Information Collection, Maintenance, and Dissemination, Strategy A.2.1, Technical Assistance and Modeling, Strategy A.2.2, Water Resources Planning, Strategy B.1.2, Economically Distressed Areas Program, and Strategy C.1.2, Information Resources, is \$1,001,357 in fiscal year 2008 and \$926,193 in fiscal year 2009 in Appropriated Receipts derived from cash flows from the Texas Water Resources Finance Authority (TWRFA). Also included in amounts appropriated above in Strategy B.1.1, State Financial Assistance Programs, is \$60,892 in fiscal year 2008 and \$60,679 in fiscal year 2009 in Appropriated Receipts in each fiscal year of the biennium derived from cash flows and reserved as operating costs of TWRFA and used to reimburse TWDB for administrative expenditures incurred by the Water Development Board in administering the TWRFA portfolio.
11. **Appropriation: Unexpended Balances in the Groundwater District Loan Assistance Fund.** In addition to amounts appropriated above, the Texas Water Development Board is hereby appropriated any unexpended balances in the Groundwater District Loan Assistance Fund No. 363 as of August 31, 2007. Any unexpended balances as of August 31, 2008 are hereby appropriated for the fiscal year beginning September 1, 2008.
12. **Appropriation: Cost Recovery for the State Participation Program.** Included in the amounts appropriated above to the Texas Water Development Board in Strategy B.1.1, State Financial Assistance Programs, is \$937,895 in fiscal year 2008 and \$1,783,038 in fiscal year 2009 in Appropriated Receipts collected for the administration and operation of the State Participation Program to be used for those purposes.

In addition to the amounts appropriated above, there is hereby appropriated to the Texas Water Development Board any additional revenues collected for the administration and operation of the State Participation Program for the same purposes.
13. **Rural Water Assistance Fund.** In addition to the amounts appropriated above, there is hereby appropriated to the Texas Water Development Board (TWDB) available balances in the Rural Water Assistance Fund, money that TWDB may place into the Rural Water Assistance Fund from any sources legally available, including but not limited to proceeds from bonds issued by the Board, money transferred to the fund, and any revenues that may accrue to the Rural Water Assistance Fund.
14. **Economically Disadvantaged Community Account.** Funds previously appropriated to the Texas Water Development Board for the Community/Noncommunity Water System Financial Assistance Account of the Safe Drinking Water Revolving Fund (SDWRF) and any interest earned on such funds may be transferred by the Board in whole or in part to the Economically Disadvantaged Community Account of the SDWRF for authorized use.
15. **Capital Budget Expenditures: Federal Funds and Appropriated Receipts Exemption.** To comply with the legislative intent to maximize the use of federal funds, to maximize the use of state funds, and to fulfill grant requirements required for the receipt and expenditure of federal funds, the Water Development Board is hereby exempted from the Capital Budget Rider Provisions contained in Article IX of this Act, "Limitations on Expenditures - Capital Budget," when Federal Funds or Appropriated Receipts are received in excess of amounts identified in the agency's Capital Budget Rider. The Water Development Board shall notify the Legislative Budget Board and the Governor upon receipt of such Federal Funds or Appropriated Receipts, of the amount received and items to be purchased.
16. **Appropriation: Desalination.** Included in amounts appropriated above out of the General Revenue Fund in Strategy A.2.2, Water Resources Planning, is \$600,000 in fiscal year 2008 to be transferred to the Water Assistance Fund No. 480 to be used for grants for brackish groundwater desalination demonstration projects.

WATER DEVELOPMENT BOARD
(Continued)

Any unexpended balances remaining in this appropriation on August 31, 2008 are hereby appropriated for the fiscal year beginning September 1, 2008.

17. **Nuisance Surveys for the Economically Distressed Areas Program.** Out of amounts appropriated above out of the General Revenue Fund in Strategy B.1.2, Economically Distressed Areas, the Water Development Board shall reimburse the Texas Department of State Health Services for costs incurred by the Department in conducting nuisance surveys for applicants for financial assistance through the Economically Distressed Areas program administered by the Board. The Board shall reimburse such costs through Interagency Contracts with the Texas Department of State Health Services in an amount not to exceed a total of \$250,000 for the biennium beginning on September 1, 2007.
18. **Appropriation: Water Infrastructure Fund.** In addition to the amounts appropriated above, there is hereby appropriated to the Water Development Board for the biennium beginning on September 1, 2007, all available funds in the Water Infrastructure Fund (WIF) No. 302, including, but not limited to fund balances, revenues, bonds issued by the Water Development Board, and funds transferred to the WIF.
19. **Boeye Reservoir.** Out of funds appropriated above in Strategy B.1.1, State Financial Assistance Programs, the Water Development Board shall allocate \$1,350,000 in fiscal year 2008 out of the Water Assistance Fund No. 480 pursuant to Chapter 15, Subchapter C of the Water Code Fund, for a grant to fund construction of the Boeye Reservoir in McAllen.

Included in the amounts appropriated above out of the General Revenue Fund in Strategy B.1.1, State Financial Assistance Programs, is \$650,000 in fiscal year 2008 to be transferred to the Water Assistance Fund No. 480 for a grant pursuant to Chapter 15, Subchapter C of the Water Code, contingent on the receipt of \$2,000,000 in local matching funds, to construct the Boeye Reservoir.

Any unexpended balances as of August 31, 2008 out of appropriations made herein are appropriated to the Water Development Board for the same purpose for the fiscal year beginning September 1, 2008.

DEBT SERVICE PAYMENTS - NON-SELF SUPPORTING G.O. WATER BONDS

	For the Years Ending	
	August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	\$ 31,537,214	\$ 61,772,170
<u>Other Funds</u>		
Economically Distressed Areas Bond Payment Account No. 357	2,064,596	2,086,960
State Participation Program Bond Payment Account No. 8432	6,164,059	7,078,951
Subtotal, Other Funds	\$ 8,228,655	\$ 9,165,911
Total, Method of Financing	\$ 39,765,869	\$ 70,938,081

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.

Items of Appropriation:

A. Goal: GEN OBLIGATION BOND DEBT SERVICE

Fulfill All General Obligation Bond Debt Service Commitments.

A.1.1. Strategy: EDAP DEBT SERVICE	\$ 18,707,746	\$ 24,613,610
		& UB

General Obligation Bond Debt Service Payments for EDAP.

A.1.2. Strategy: STATE PARTICIPATION DEBT SERVICE	\$ 10,581,403	\$ 19,157,653
		& UB

General Obligation Bond Debt Service Payments for State Participation.

DEBT SERVICE PAYMENTS - NON-SELF SUPPORTING G.O. WATER BONDS (Continued)

A.1.3. Strategy: AG WATER CONSERVATION DEBT SERVICE	\$ 2,694,485	\$ 2,696,025 & UB
Agricultural Water Conservation Debt Service.		
A.1.4. Strategy: WIF DEBT SERVICE	\$ 7,782,235	\$ 24,470,793 & UB
G.O. Bond Debt Service Payments for the Water Infrastructure Fund Pgm.		
Total, Goal A: GEN OBLIGATION BOND DEBT SERVICE	<u>\$ 39,765,869</u>	<u>\$ 70,938,081</u>
Grand Total, DEBT SERVICE PAYMENTS - NON-SELF SUPPORTING G.O. WATER BONDS	<u>\$ 39,765,869</u>	<u>\$ 70,938,081</u>
Object-of-Expense Informational Listing:		
Debt Service	<u>\$ 39,765,869</u>	<u>\$ 70,938,081</u>
Total, Object-of-Expense Informational Listing	<u>\$ 39,765,869</u>	<u>\$ 70,938,081</u>

- 1. Payment of Debt Service: Economically Distressed Areas Bonds.** All monies received by the Texas Water Development Board and deposited to the Economically Distressed Areas Bond Payment Account No. 357 are hereby appropriated for the payment of principal and interest on bonds issued to provide financial assistance for water and wastewater infrastructure through the Economically Distressed Areas Program that mature or become due during the biennium beginning with the effective date of this Act, pursuant to §§ 49-c, 49-d-7, and 49-d-8 of Article III of the Texas Constitution and Water Code, Chapter 17, Subchapters C and L, including amounts issued prior to the effective date of this Act. The amounts identified above in the Method of Financing as the Economically Distressed Areas Bond Payment Account No. 357 are estimated amounts to be received from repayments of loan principal and interest on such bonds that mature or become due during the biennium.

Included in the amounts appropriated above, the Texas Water Development Board is also hereby appropriated amounts sufficient for the payment of principal and interest on \$12,000,000 in Economically Distressed Areas Program Bonds hereby authorized to be issued and sold during the 2008-09 biennium to provide financial assistance for water and wastewater infrastructure through the Economically Distressed Areas Program pursuant to §§ 49-c, 49-d-7, and 49-d-8 of Article III of the Texas Constitution and Water Code, Chapter 17, Subchapters C and L.

The actual amount of funds to be paid from the General Revenue Fund shall be the total amount of debt service obligations due in each fiscal year less the amount available in the Economically Distressed Areas Bond Payment Account No. 357 for Debt Service Payments for the Economically Distressed Areas Program. The provisions contained herein shall not be construed, however, to abrogate the obligation of the State under §§ 49-c and 49-d-8 of Article III of the Texas Constitution to provide for the payment in full of the principal and interest on such bonds that mature or become due during the biennium.

- 2. Payment of Debt Service: State Participation Bonds.** All monies received by the Texas Water Development Board and deposited to the State Participation Program Bond Payment Account are hereby appropriated for the payment of principal and interest on bonds issued to provide financial assistance for State Participation projects that mature or become due during the biennium beginning with the effective date of this Act, pursuant to §§ 49-c, 49-d-7, and 49-d-8 of Article III of the Texas Constitution and Water Code, Chapter 17, Subchapters C and L, including amounts issued prior to the effective date of this Act, as well as additional amounts issued during the 2008-09 biennium. The amounts identified above in the Method of Financing as the State Participation Program Bond Payment Account are estimated amounts of payments received from political subdivisions representing the purchase of the state's ownership interest in projects dedicated to the payment of principal and interest on such bonds that mature or become due during the biennium.

Included in the amounts appropriated above out of the General Revenue Fund, the Texas Water Development Board is also appropriated \$1,431,250 in fiscal year 2008 and \$8,510,000 in fiscal year 2009 for the payment of principal and interest on \$276,071,250 in State Participation Bonds hereby authorized to be issued and sold during the 2008-09 biennium to provide financial assistance for water and wastewater infrastructure projects related to the implementation of the State Water Plan through the State Participation Program pursuant to §§

DEBT SERVICE PAYMENTS - NON-SELF SUPPORTING G.O. WATER BONDS
(Continued)

49-c, 49-d-7, 49-d-8 and 49-d-9, of Article III of the Texas Constitution and Water Code, Chapter 17, Subchapters C and L.

The actual amount of funds to be paid from the General Revenue Fund shall be the total amount of debt service obligations due in each fiscal year less the amount available in the State Participation Program Bond Payment Account for Debt Service Payments for the State Participation Program. The provisions contained herein shall not be construed, however, to abrogate the obligation of the State under §§ 49-c, 49-d-8, and 49-d-9 of Article III of the Texas Constitution to provide for the payment in full of the principal and interest on such bonds that mature or become due during the biennium.

3. **Agricultural Water Conservation Bonds.** The amounts listed above in Strategy A.1.3, Agricultural Water Conservation Debt Service, are the estimated amounts of debt service anticipated to be required in each fiscal year for the repayment of Texas Agricultural Water Conservation Bonds issued during the 2002-03 biennium to provide financial assistance under Texas Water Code, § 17.894(b) for the following projects: \$15 million in financial assistance to the Soil and Water Conservation Board for brush control projects and \$1 million in financial assistance to the Department of Agriculture for saltcedar removal along the Pecos River. The provisions contained herein shall not be construed, however, to abrogate the obligation of the state under § 50-d of Article III of the Texas Constitution to provide for the payment in full of the principal and interest on such bonds that mature or become due during the biennium.
4. **Contingency Appropriation for Senate Joint Resolution 20.** Included in the amounts appropriated above in Strategy A.1.1, EDAP Debt Service; and contingent on the adoption of Senate Joint Resolution 20, or similar legislation by the Eightieth Legislature, Regular Session, and by Texas voters in November 2007, the Water Development Board is appropriated out of the General Revenue Fund \$1,836,225 in fiscal year 2008 and \$6,631,797 in fiscal year 2009 for the payment of principal and interest on \$87,452,188 in Economically Distressed Areas Program (EDAP) bonds authorized to be issued and sold during the 2008-09 biennium to provide financial assistance for water and wastewater infrastructure through EDAP and for projects related to the implementation of the State Water Plan in rural and economically distressed areas, pursuant to §§ 49-c, 49-d-7, and 49-d-8 of Article III of the Texas Constitution and Water Code, Chapter 17, Subchapters C and L.

The actual amount of funds to be paid from the General Revenue Fund shall be the total amount of debt service obligations due in each fiscal year less the amount available in the Economically Distressed Areas Bond Payment Account No. 357 for Debt Service Payments for the Economically Distressed Areas Program. The provisions contained herein shall not be construed, however, to abrogate the obligation of the State under §§ 49-c and 49-d-8 of Article III of the Texas Constitution to provide for the payment in full of the principal and interest on such bonds that mature or become due during the biennium.

Of the amount authorized to be issued and sold during the 2008-09 biennium, \$10,000,000 shall be used to provide financial assistance to rural communities with populations of less than 5,000 for construction, acquisition, or improvement of water and wastewater projects.

5. **Payment of Debt Service: Water Infrastructure Fund Bonds.** Included in the amounts appropriated above to the Water Development Board is \$7,782,235 in fiscal year 2008 and \$24,470,793 in fiscal year 2009 out of the General Revenue Fund, to be transferred to the Water Infrastructure Fund (WIF) No. 302, pursuant to Texas Water Code, Section 15.974 (a)(4) for the repayment of principal and interest on \$449,253,188 in Water Infrastructure Fund bonds hereby approved to be issued and sold during the 2008-09 biennium pursuant to Texas Water Code, Section 17.952, to provide financial assistance for projects related to the implementation of the State Water Plan as authorized by Texas Water Code, Section 15.974.

The actual amount of funds to be paid from the General Revenue Fund shall be the total amount of debt service obligations due in each fiscal year less amounts deposited to the Water Infrastructure Fund (WIF) No. 302 for loan repayments and interest earnings. The provisions contained herein shall not be construed, to abrogate the obligation for the state under §§ 49-c, 49-d-8 and 49-d-9, of Article III of the Texas Constitution to provide for the payment in full of the principal and interest on such bonds that mature or become due during the biennium.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending	
	August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	\$ 50,188,487	\$ 51,262,632
General Revenue Dedicated Accounts, estimated	23,083,334	23,780,099
Federal Funds, estimated	8,768,610	8,942,112
Other Special State Funds, estimated	<u>4,026,971</u>	<u>4,105,774</u>
Total, Method of Financing	<u>\$ 86,067,402</u>	<u>\$ 88,090,617</u>
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS	\$ 25,039,902	\$ 25,435,394
Retirement Contributions. Estimated.		
A.1.2. Strategy: GROUP INSURANCE	\$ 61,027,500	\$ 62,655,223
Group Insurance. Estimated.		
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	<u>\$ 86,067,402</u>	<u>\$ 88,090,617</u>
Grand Total, RETIREMENT AND GROUP INSURANCE	<u>\$ 86,067,402</u>	<u>\$ 88,090,617</u>

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending	
	August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund, estimated	\$ 7,518,308	\$ 7,582,247
General Revenue Dedicated Accounts, estimated	18,250,474	18,435,021
Federal Funds, estimated	4,721,708	4,716,807
Other Special State Funds, estimated	<u>1,957,712</u>	<u>1,974,498</u>
Total, Method of Financing	<u>\$ 32,448,202</u>	<u>\$ 32,708,573</u>
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT		
Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH – EMPLOYER	\$ 29,032,776	\$ 29,463,918
State Match — Employer. Estimated.		
A.1.2. Strategy: BENEFIT REPLACEMENT PAY	\$ 3,415,426	\$ 3,244,655
Benefit Replacement Pay. Estimated.		
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	<u>\$ 32,448,202</u>	<u>\$ 32,708,573</u>
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	<u>\$ 32,448,202</u>	<u>\$ 32,708,573</u>

BOND DEBT SERVICE PAYMENTS

	For the Years Ending	
	August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	\$ 5,695,010	\$ 6,151,129
Current Fund Balance	<u>4,098,500</u>	<u>732,188</u>
Total, Method of Financing	<u>\$ 9,793,510</u>	<u>\$ 6,883,317</u>
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: BOND DEBT SERVICE	\$ 9,793,510	\$ 6,883,317
To Texas Public Finance Authority for Payment of Bond Debt Service.		& UB
Grand Total, BOND DEBT SERVICE PAYMENTS	<u>\$ 9,793,510</u>	<u>\$ 6,883,317</u>

LEASE PAYMENTS

	For the Years Ending	
	August 31, 2008	August 31, 2009
Method of Financing:		
General Revenue Fund	\$ 4,064,438	\$ 3,998,781
Total, Method of Financing	<u>\$ 4,064,438</u>	<u>\$ 3,998,781</u>
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	\$ 4,064,438	\$ 3,998,781
To TBPC for Payment to TPFA.		& UB
Grand Total, LEASE PAYMENTS	<u>\$ 4,064,438</u>	<u>\$ 3,998,781</u>

**RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(General Revenue)**

	For the Years Ending	
	August 31, 2008	August 31, 2009
Department of Agriculture	\$ 51,489,825	\$ 44,854,520
Animal Health Commission	9,792,202	9,765,182
Commission on Environmental Quality	8,341,815	8,316,571
General Land Office and Veterans' Land Board	13,475,462	13,475,462
Parks and Wildlife Department	65,128,503	62,600,163
Railroad Commission	27,270,713	27,123,097
Soil and Water Conservation Board	12,380,015	11,730,015
Water Development Board	19,180,111	18,786,449
Debt Service Payments - Non-Self Supporting G.O. Water Bonds	<u>31,537,214</u>	<u>61,772,170</u>
Subtotal, Natural Resources	<u>\$ 238,595,860</u>	<u>\$ 258,423,629</u>
Retirement and Group Insurance	50,188,487	51,262,632
Social Security and Benefit Replacement Pay	<u>7,518,308</u>	<u>7,582,247</u>
Subtotal, Employee Benefits	<u>\$ 57,706,795</u>	<u>\$ 58,844,879</u>
Bond Debt Service Payments	5,695,010	6,151,129
Lease Payments	<u>4,064,438</u>	<u>3,998,781</u>
Subtotal, Debt Service	<u>\$ 9,759,448</u>	<u>\$ 10,149,910</u>
TOTAL, ARTICLE VI - NATURAL RESOURCES	<u>\$ 306,062,103</u>	<u>\$ 327,418,418</u>

**RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(General Revenue - Dedicated)**

	For the Years Ending	
	August 31,	August 31,
	<u>2008</u>	<u>2009</u>
Department of Agriculture	\$ 1,182,746	\$ 182,747
Commission on Environmental Quality	490,122,446	452,770,261
General Land Office and Veterans' Land Board	11,201,800	11,338,432
Parks and Wildlife Department	160,895,628	143,435,869
Railroad Commission	<u>25,583,145</u>	<u>25,642,366</u>
Subtotal, Natural Resources	<u>\$ 688,985,765</u>	<u>\$ 633,369,675</u>
Retirement and Group Insurance	23,083,334	23,780,099
Social Security and Benefit Replacement Pay	<u>18,250,474</u>	<u>18,435,021</u>
Subtotal, Employee Benefits	<u>\$ 41,333,808</u>	<u>\$ 42,215,120</u>
TOTAL, ARTICLE VI - NATURAL RESOURCES	<u><u>\$ 730,319,573</u></u>	<u><u>\$ 675,584,795</u></u>

**RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(Federal Funds)**

	For the Years Ending	
	August 31, 2008	August 31, 2009
Department of Agriculture	\$ 277,752,802	\$ 277,752,795
Animal Health Commission	4,504,651	4,504,651
Commission on Environmental Quality	43,018,614	41,677,663
General Land Office and Veterans' Land Board	25,688,494	29,639,738
Parks and Wildlife Department	41,743,914	38,970,216
Railroad Commission	4,369,616	4,369,616
Soil and Water Conservation Board	4,022,981	4,022,981
Water Development Board	<u>10,760,694</u>	<u>10,710,789</u>
Subtotal, Natural Resources	<u>\$ 411,861,766</u>	<u>\$ 411,648,449</u>
Retirement and Group Insurance	8,768,610	8,942,112
Social Security and Benefit Replacement Pay	<u>4,721,708</u>	<u>4,716,807</u>
Subtotal, Employee Benefits	<u>\$ 13,490,318</u>	<u>\$ 13,658,919</u>
TOTAL, ARTICLE VI - NATURAL RESOURCES	<u><u>\$ 425,352,084</u></u>	<u><u>\$ 425,307,368</u></u>

**RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(Other Funds)**

	For the Years Ending	
	August 31, 2008	August 31, 2009
Department of Agriculture	\$ 4,931,091	\$ 4,062,887
Commission on Environmental Quality	7,416,046	7,206,046
General Land Office and Veterans' Land Board	34,075,042	34,118,872
Parks and Wildlife Department	23,332,519	6,488,612
Railroad Commission	3,515,132	3,515,132
Water Development Board	14,862,842	16,969,257
Debt Service Payments - Non-Self Supporting G.O. Water Bonds	<u>8,228,655</u>	<u>9,165,911</u>
Subtotal, Natural Resources	<u>\$ 96,361,327</u>	<u>\$ 81,526,717</u>
Retirement and Group Insurance	4,026,971	4,105,774
Social Security and Benefit Replacement Pay	<u>1,957,712</u>	<u>1,974,498</u>
Subtotal, Employee Benefits	<u>\$ 5,984,683</u>	<u>\$ 6,080,272</u>
Bond Debt Service Payments	<u>4,098,500</u>	<u>732,188</u>
Subtotal, Debt Service	<u>\$ 4,098,500</u>	<u>\$ 732,188</u>
Less Interagency Contracts	<u>\$ 9,171,240</u>	<u>\$ 8,961,290</u>
TOTAL, ARTICLE VI - NATURAL RESOURCES	<u>\$ 97,273,270</u>	<u>\$ 79,377,887</u>

**RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(All Funds)**

	For the Years Ending	
	August 31, 2008	August 31, 2009
Department of Agriculture	\$ 335,356,464	\$ 326,852,949
Animal Health Commission	14,296,853	14,269,833
Commission on Environmental Quality	548,898,921	509,970,541
General Land Office and Veterans' Land Board	84,440,798	88,572,504
Parks and Wildlife Department	291,100,564	251,494,860
Railroad Commission	60,738,606	60,650,211
Soil and Water Conservation Board	16,402,996	15,752,996
Water Development Board	44,803,647	46,466,495
Debt Service Payments - Non-Self Supporting G.O. Water Bonds	<u>39,765,869</u>	<u>70,938,081</u>
Subtotal, Natural Resources	<u>\$ 1,435,804,718</u>	<u>\$ 1,384,968,470</u>
Retirement and Group Insurance	86,067,402	88,090,617
Social Security and Benefit Replacement Pay	<u>32,448,202</u>	<u>32,708,573</u>
Subtotal, Employee Benefits	<u>\$ 118,515,604</u>	<u>\$ 120,799,190</u>
Bond Debt Service Payments	9,793,510	6,883,317
Lease Payments	<u>4,064,438</u>	<u>3,998,781</u>
Subtotal, Debt Service	<u>\$ 13,857,948</u>	<u>\$ 10,882,098</u>
Less Interagency Contracts	<u>\$ 9,171,240</u>	<u>\$ 8,961,290</u>
TOTAL, ARTICLE VI - NATURAL RESOURCES	<u>\$ 1,559,007,030</u>	<u>\$ 1,507,688,468</u>
Number of Full-Time-Equivalents (FTE)	8,595.1	8,610.1